



GREAT WESTERN
Exploration Limited

ABN 53 123 631 470

2nd Floor , 35 Outram St
West Perth . WA. 6005

GREAT WESTERN EXPLORATION LIMITED

ABN 53 123 631 470

FINANCIAL REPORT

**HALF YEAR ENDED
31 DECEMBER 2015**

GREAT WESTERN EXPLORATION LIMITED
ABN 53 123 631 470

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GREAT WESTERN EXPLORATION LIMITED
ABN 53 123 631 470

CORPORATE DIRECTORY

Directors	K C Somes J A Lockett C D Mathieson T R Grammer
Secretary	J Barton
Registered and Principal Office	185 Hay Street SUBIACO WA 6008 Telephone: (08) 6489 0101 Facsimile: (08) 6489 0100 Website: www.greatwesternexploration.com.au
Auditor	Bentleys Level 3 216 St Georges Terrace PERTH WA 6000 Telephone: (08) 9226 4500 Facsimile: (08) 9226 4300
Solicitor	Kings Park Corporate Lawyers Level 2 45 Richardson Street WEST PERTH WA 6005
Share Registry	Computershare Investor Services Limited Level 2 Reserve Bank Building 45 St Georges Terrace PERTH WA 6000 Telephone: (08) 9323 2000 Facsimile: (08) 9323 2033
ASX Code	GTE - Shares

GREAT WESTERN EXPLORATION LIMITED
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DIRECTORS' REPORT

The Directors present the financial report of the Consolidated Group ("the Group") for the half-year ended 31 December 2015.

DIRECTORS

The names of the Directors in office during the half year and until the date of this report are as below. Directors were in office for the entire period unless otherwise stated.

Kevin Clarence Somes	Chairman
Jordan Ashton Lockett	Managing Director
Craig Donald Mathieson	Non-executive Director
Terrence Ronald Grammer	Non-executive

REVIEW OF OPERATIONS

During the period under review the Group focused its exploration activities on base metals, gold and nickel.

The Group's activities are contained in releases to the ASX on a quarterly basis and contained in the Group's website

www.greatwesternexploration.com.au

During the period of review Great Western Exploration Ltd ("GTE") has focused its exploration activities on targeting gold and base metal deposits within Doolgunna and Cunyu (Joint Venture) Projects of the Yerrida Basin in Western Australia. The recent discovery and mine development of the DeGrussa Copper-Gold Mine and the continued operations at the Magellan Lead Mine has reinvigorated the awareness and interest of this under-explored region as a premier poly-metallic exploration address.

YERRIDA

Doolgunna Project (100% GTE)

The Doolgunna project comprises of 1,600km² area of the Proterozoic Yerrida Basin. Within the Project the company has identified both nickel and copper massive sulphide targets at the New Springs (nickel), Goodin (copper) and Chisel (copper) prospects.

Drilling completed at the Chisel prospect late 2015 demonstrated that there are favorable geological conditions for the formation of VHMS style massive copper sulphide mineralization similar to what is observed at the Degruessa and Monty deposits that are also located within the Proterozoic rocks of the Northern Yilgarn.

The company intends to carry out further work at Chisel, Goodin and New Springs over the next six months.

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Cunyu Joint Venture Project (GTE earning 70%)

Great Western Exploration is earning 70% interest in the Cunyu JV tenements owned by Glencore. The project was originally generated by the highly successful Jubilee Resources exploration team targeting nickel and gold.

The company identified the Finlayson gold prospect where a wide gold mineralized shear zone was intersected in RC drilling 65km along strike to the north west of the 5 million ounce Wiluna gold deposit. The prospect is located on the same regional structure as well locally exhibiting strong similarities to Wiluna including similar host rocks and structural setting.

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AUDITOR'S DECLARATION

The Auditor's Independence Declaration for the half year ended 31 December 2015 under section 307C of the Corporations Act 2001 is set out on page 24.

This report is signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'K C Somes', is positioned above the printed name and title.

K C Somes
Chairman

Dated: Perth 14th March 2016

GREAT WESTERN EXPLORATION LIMITED
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Note	Consolidated 31.12.2015 \$	Consolidated 31.12.2014 \$
Interest revenue		144	3,763
Other Income	2	132,495	-
Employee benefits expense		(68,035)	(254,791)
Directors fees		(66,250)	(74,435)
Depreciation		(11,581)	(12,519)
Administration costs		(82,643)	(206,930)
Compliance and regulatory		(32,436)	(42,833)
Net loss on revaluation of financial asset		-	(400)
Impairment of mineral exploration expenditure		(2,316,507)	(24,244)
Loss before income tax		(2,444,813)	(612,389)
Income tax expense		-	-
Loss for the period		(2,444,813)	(612,389)
Other comprehensive income		-	-
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating Foreign Controlled entities		-	(3,690)
Total comprehensive income for the period attributable to members		(2,444,813)	(616,079)
Earnings per share			
From continuing operations:			
Basic earnings per share (cents)		(0.013)	(0.38)

The accompanying notes form part of this condensed consolidated half-year financial report.

GREAT WESTERN EXPLORATION LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	Consolidated 31.12.2015 \$	Consolidated 30.06.2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		277,433	131,139
Trade and other receivables		4,190	12,611
Other financial assets		400	400
TOTAL CURRENT ASSETS		282,023	144,150
NON-CURRENT ASSETS			
Plant and equipment		6,299	17,880
Mineral exploration expenditure	5	3,404,251	5,522,610
TOTAL NON-CURRENT ASSETS		3,410,550	5,540,489
TOTAL ASSETS		3,692,573	5,684,639
CURRENT LIABILITIES			
Trade and other payables		443,653	503,244
Loan	8	200,000	-
TOTAL CURRENT LIABILITIES		643,653	503,244
TOTAL LIABILITIES		643,653	503,244
NET ASSETS		3,048,920	5,181,395
EQUITY			
Issued capital	4	19,808,911	19,496,573
Reserves	4	1,682,618	1,682,618
Accumulated losses		(18,442,609)	(15,997,796)
TOTAL EQUITY		3,048,920	5,181,395

The accompanying notes form part of this condensed consolidated half-year financial report.

GREAT WESTERN EXPLORATION LIMITED
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Issued Capital	Option Reserves	Foreign Currency Translation Reserve	Accumulated Losses	Total
	\$	\$	\$		\$
Consolidated					
Balance at 1.7.2015	19,496,573	1,682,618	-	(15,997,796)	5,181,395
Loss for the period	-	-		(2,444,813)	(2,444,813)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive Income for the period	-	-	-		-
Share based payments	-	-	-	-	-
Shares issued during the period	312,338	-	-	-	312,338
Balance at 31.12.2015	19,808,911	1,682,618	-	(18,442,609)	3,048,920
Consolidated					
Balance at 1.7.2014	18,441,819	1,784,878	43,765	(14,506,484)	5,763,978
Loss for the period	-	-		(612,389)	(612,389)
Other comprehensive income for the period	-	-	(3,690)	-	(3,690)
Total comprehensive Income for the period	-	-	(3,690)	(612,389)	(616,079)
Share based payments	-	31,018	-	-	31,018
Shares issued during the period	578,186	-	-	-	578,186
Balance at 31.12.2014	19,020,005	1,815,896	40,075	(15,118,873)	5,757,103

The accompanying notes form part of this condensed consolidated half-year financial report.

GREAT WESTERN EXPLORATION LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Consolidated 31.12.2015 \$	Consolidated 31.12.2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(155,127)	(370,109)
Mineral exploration expenditure	(182,941)	(473,218)
Interest received	144	3,763
Net cash used in operating activities	<u>(337,924)</u>	<u>(839,564)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	-	(2,122)
Acquisition of exploration projects	-	(61,698)
Refund of security deposit	7,076	28,000
Net cash provided by/(used in) investing activities	<u>7,076</u>	<u>(35,820)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loaned funds	200,000	-
Proceeds from issue of shares	315,000	604,709
Securities issue costs	(37,858)	(5,768)
Net cash provided by financing activities	<u>477,142</u>	<u>598,941</u>
Net increase/(decrease) in cash held	146,294	(276,443)
Cash and cash equivalents at beginning of period	131,139	311,457
Cash and cash equivalents at end of period	<u>277,433</u>	<u>35,014</u>

The accompanying notes form part of this condensed consolidated half-year financial report.

GREAT WESTERN EXPLORATION LIMITED
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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2015 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Great Western Exploration Limited and its controlled entities ("the Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015, together with any public announcements made during the half-year.

New or revised standards and interpretations that are first effective in the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'

The adoption of the above standards have not had a material impact on this half year financial report.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

a) Going Concern

The Half- year financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity, and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the half-year of \$2,444,813 (31 December 2014 loss \$612,389).

The Group has a working capital deficiency of \$(361,630) at 31 December 2015 (30 June 2015 \$359,094). The Group has ongoing expenditures in respect of administration costs, exploration and evaluation expenditure on its exploration projects and the Directors are conscious of the fact that they will need to raise additional capital.

Included in the working capital deficiency is an amount of \$387,302 representing accrued salaries and directors fees due to directors. The Directors have agreed to accept the issue of shares, to the value \$235,526, in lieu of the monies owing, which were issued to Directors on 20 January 2016. The balance of \$151,776 is deferred until such time as the company has adequate working capital. In addition, the loan provided by the directors of \$200,000 to the entity had been converted into shares on the 20 January 2016.

The Directors believe that at the date of signing of the financial statements there are reasonable grounds to believe that the Group will be able to raise sufficient funds to meet its obligations as and when they fall due and continue to proceed with the Group's objectives beyond the currently committed expenditure for the 12-month period from the date of signing this financial report.

In arriving at this conclusion, the Directors are comfortable that, as and when required, they will be able to raise equity to provide sufficient working capital and will not call on outstanding director fees until the company is in a position to repay these amounts.

Should the Directors not achieve the matters as set out above, there is material uncertainty whether the Group will continue as a going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The financials do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary, should the Group not continue as a going concern and meet its debts as and when they fall due.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

NOTE 2: OTHER INCOME

During the half year ended 31 December 2015, the Company wrote back \$126,253 of over accrued expenditure related to Salaries and Directors Fees. The balance of \$6,242 relates to a refund of tenement expenditure.

NOTE 3: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group's principal activities are mineral exploration and managed primarily on a project by project basis. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

Types of products and services by segment

The Group's exploration projects consists of:

- Nickel & Gold
- Base metals

Basis of accounting for purposes of reporting by operating segments

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 3: OPERATING SEGMENTS(CONTINUED)

Segment assets

Segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

Items of revenue, expense, assets and liabilities are not allocated to operating segments if they are not considered part of the core operations of any segment.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 3: OPERATING SEGMENTS (CONTINUED)

(i) Segment performance							
	Doolgunna Base Metals	Kazakhstan Base Metals	Forrestania Nickel & Gold	Millrose Nickel & Gold	Total		
	\$	\$	\$	\$	\$		
Six months ended 31.12.2014	-	-	-	-	-		
External sales	-	-	-	-	-		
Total segment revenue							
Segment net loss before tax	-	-	-	-	-		
Reconciliation of segment result to net profit/(loss) before tax							
Amount not included in segment result but reviewed by the Board:							
Interest received and Other Income						3,763	
Employee benefit expense						(254,791)	
Directors fees						(74,435)	
Compliance						(42,833)	
Depreciation						(12,519)	
Administration costs						(206,930)	
Mineral exploration written off						(24,244)	
Net loss on revaluation of financial asset						(400)	
Net profit/(loss) before tax from continuing operations							(612,389)

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 3: OPERATING SEGMENTS (CONTINUED)

(ii) Segment assets

	Doolgunna Base Metals	Xstrata JV Base Metals	Forrestania Nickel & Gold	Millrose Nickel & Gold	Other	Total
	\$	\$	\$	\$	\$	\$
31.12.2015						
Segment assets	2,794,283	609,968	-	-	-	3,404,251

Segment asset movements for the period:

• Capital expenditure	195,843	-	2,306	-	-	198,149
• Acquisitions	-	-	-	-	-	-
• Impairment	-	-	(2,316,507)	-	-	(2,316,507)
	195,843	-	(2,314,201)	-	-	(2,118,358)

Reconciliation of segment assets to total assets

Unallocated assets:

- Cash and cash equivalents
- Receivables
- Other financial assets
- Property plant and equipment
- Other

Total assets from continuing operations

	277,433	-	-	-	-	277,433
						400
						6,299
						4,190
						3,692,573

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

NOTE 3: OPERATING SEGMENTS (CONTINUED)

(ii) Segment assets

	Doolgunna Base Metals	Kazakhstan Copper	Forrestania Nickel & Gold	Xstrata JV Base Metals	Millrose Nickel & Gold	Other	Total
	\$	\$	\$	\$	\$	\$	\$
30.6.2015							
Segment assets	2,598,440	-	2,314,201	609,968	-	-	5,522,609
Segment asset movements for the period:							
• Capital expenditure	192,914	-	-	287,803	25,914	53,842	559,753
• Acquisitions	-	-	-	-	-	-	-
	192,914	-	-	287,083	25,914	53,842	559,753

Reconciliation of segment assets to total assets

Unallocated assets:

- Cash and cash equivalents
- Receivables
- Property plant and equipment
- Other assets
- Other financial assets

Total assets from continuing operations

	131,139	
	12,611	
	-	
	17,880	
	400	
	5,684,639	

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 3: OPERATING SEGMENTS (CONTINUED)

(iii) Segment liabilities

	Doolgunna Base Metals \$	Xstrata JV Base Metals \$	Forrestania Nickel & Gold \$	Millrose/Bullseye Nickel & Gold \$	Other \$	Total \$
31.12.2015	-	-	-	-	-	-
Segment liabilities						
Reconciliation of segment liabilities to total liabilities						
Unallocated liabilities:						
• Other liabilities						643,653
Total liabilities from continuing operations						643,653
30.6.2015						
Segment liabilities						
Reconciliation of segment liabilities to total liabilities						
Unallocated liabilities:						
• Other liabilities						503,244
Total liabilities from continuing operations						503,244

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 4: ISSUED CAPITAL

	31.12.2015	
	No. on issue	\$
ISSUED CAPITAL		
Ordinary shares on issue	220,548,226	19,808,911
	No. on issue	\$
Movements in Ordinary Shares		
Balance at the beginning of the period 1/7/15	189,048,226	19,496,573
Issued during the period		
On 23 December 2015, rights issue at \$0.01 per share	31,500,000	315,000
Share issue costs		(2,662)
Balance at the end of the period 31/12/15	220,548,226	19,808,911
Options		
Unlisted		
Balance at the beginning of the period 1/7/15	11,350,000	1,682,618
Issued during the period	-	-
Expired during the period	-	-
Balance at the end of the period 31/12/15	11,350,000	1,682,618

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

NOTE 5: MINERAL EXPLORATION EXPENDITURE

	31.12.2015	30.6.2015
	\$	\$
Capitalised at cost at the beginning of the period	5,522,610	5,541,853
Deferred exploration expenditure	198,149	559,753
Impairment of exploration expenditure	(\$2,316,507)	(578,997)
Balance at the at the end of the period	<u>3,404,251</u>	<u>5,522,610</u>

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the Group's rights to tenure of the areas of interest
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

During the half-year, the Company relinquished its Forrestania and Millrose tenements and consequently had an impairment of \$2,316,507 in relation to these assets.

NOTE 6: FINANCIAL INSTRUMENTS

The Group's financial instruments consist of trade and other receivables, other financial assets and trade and other payables. The financial instruments are measured at cost, less any provision for non-recovery. The carrying amount of the financial assets and liabilities approximate their fair value.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

The Directors are not aware of any matter or circumstance that has arisen since 31 December 2015 which has significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years other than:

- on 7 January 2015 the Company announced that the shareholders agreed for two Directors to participate in the \$0.01 share placement up to \$100,000 each. On 20 January 2016, the \$200,000 loan from Directors was converted to equity as part of this share placement.
- on 7 January 2015 the Company announced that shareholders agreed to issue shares at \$0.01 to Directors in lieu of outstanding Directors Fees at 30 June 2015 of \$235,526. On 20 January 2016, 23,552,600 shares were issued to Directors in lieu of outstanding Directors fees.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 8: LOANS

During the half year ended 31 December 2015, two of the Directors provided \$200,000 of funds to the Company to participate in the share placement at \$0.01. This was approved by shareholders at the general meeting on 7 January 2016 and the loan funds were converted to equity on 20 January 2016.

NOTE 9: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

GREAT WESTERN EXPLORATION LIMITED
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DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Great Western Exploration Limited, I state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2015 and the performance for the half-year ended on that date of the Group; and
 - (ii) complying with Accounting Standards AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they come due and payable.

On behalf of the Board



K C Somes
Chairman

Dated: Perth 14th March 2016



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To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the review of the financial statements of Great Western Exploration Limited for the half year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Director

DATED at PERTH this 14th day of March 2016



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Accountants

Auditors

Advisors

Independent Auditor's Review Report

To the Members of Great Western Exploration Limited

We have reviewed the accompanying half-year financial report of Great Western Exploration Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2015, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Consolidated Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independent Auditor's Review Report

To the Members of Great Western Exploration Limited (Continued)



Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Great Western Exploration Limited and Controlled Entities is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

Emphasis of matter

Without qualifying our conclusion, we draw attention to Note 1(a) of the half-year financial report which indicates that the Consolidated Entity incurred a net loss of \$2,444,813 during the period ended 31 December 2015. This condition, along with other matters as set forth in note 1(a), indicate the existence of a material uncertainty which may cast significant doubt about the Consolidated Entity's ability to continue as a going concern and therefore, the Consolidated Entity may be unable to realise its assets and settle its liabilities in the normal course of the business and at the amounts stated in the half-year financial report.

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Director

Dated at Perth this 14th day of March 2016