

## ASX Release

25 July 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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### Board of Directors

*Kevin Somes – Chairman*

*Jordan Luckett – Managing Director*

*Craig Mathieson – Non-Executive*

*Terry Grammer – Non-Executive*

*Justin Barton – Company Secretary*

## Vanguard Acquisition Update

### Highlights:

- The Vanguard Acquisition is progressing positively with the VALMIN reports close to completion.
- Vanguard has two projects:
  - A promising new gold-silver discovery with bonanza grades at its Ives Find project located in the Yandal greenstone belt and;
  - Its second project called Fairbairn is located east of Doolgunna on the Jenkins/Goodin fault along strike of the Degruusa copper deposit.
- Both projects are also prospective for lithium.

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Great Western Exploration Limited (“GTE”; the Company”) would like to update shareholders on the progress of the Vanguard acquisition which was announced the 26<sup>th</sup> April 2016. As previously stated this particular transaction requires the completion of an Independent Experts Report (“IER”) to satisfy the requirements of Chapter 10.1 of the ASX listing rules. The IER requires the completion of VALMIN reports for both companies which takes the most time.

The VALMIN report for Vanguard has now been completed and the report for GTE is well advanced and expected to be finished shortly. The Company is now finalising the other required documents for the IER including the Short Form Prospectus, Notice of Meeting, Share Sale Agreements and Financial Accounts for both Companies.

The Company anticipates that the Notice of Meeting will be sent out to shareholders soon and once that is received then the timetable for the approval of the acquisition will be known. Furthermore the Directors of Vanguard have agreed to extend the Exclusivity Agreement until after the date of the General Meeting of GTE shareholders to approve the transaction.

On the 26<sup>th</sup> April 2016 the Company announced an all script offer for unlisted public company Vanguard Exploration Limited (“Vanguard”) that has been accepted by the Directors of Vanguard and who will recommend it to Vanguard shareholders. The offer is on the basis of four GTE shares for one Vanguard share which equates to a total of 150,833,124 GTE shares. The offer is subject to several conditions which are detailed in that announcement.

Also announced was Vanguard recent new high grade gold discovery near the historical Ives Find gold workings located in the Yandal greenstone belt. The following table are the best results from the Vanguard drilling to date using a 10 g/t gold cut-off:

*Table 1 High grade results from Vanguard Drilling at Ives Find using a 10 g/t gold cut-off.*

Hole No	Depth From	Depth to	Interval (m)	Gold Au g/t	Silver Ag g/t
IFRC004	38	39	1	19.70	27.5
	39	40	1	12.20	22.0
IFRC005	34	35	1	41.53	24.0
	35	36	1	114.90	162.0
IFRC015	47	48	1	22.40	9.0
IFRC017	55	56	1	27.90	61.0
IFRC044	12	13	1	24.40	11.4
IFRC069	33	34	1	22.16	60.4

Vanguard also have a second project called Fairbairn that is located on the Jenkins/Goodin fault, along strike from Degrudda that the Company believes to be prospective for copper and gold and is an excellent fit with the Company's current Doolgunna focus (see fig 1).

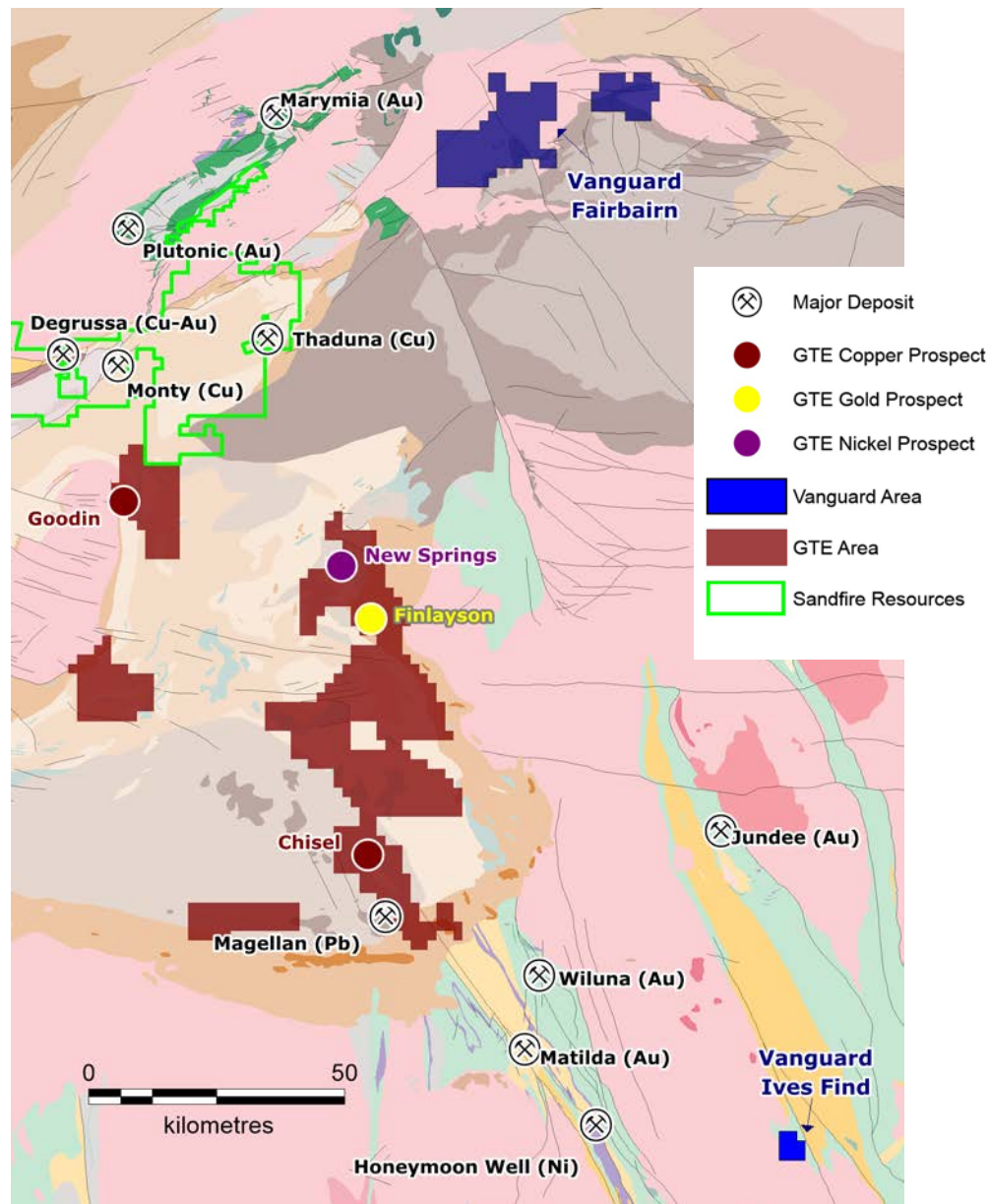


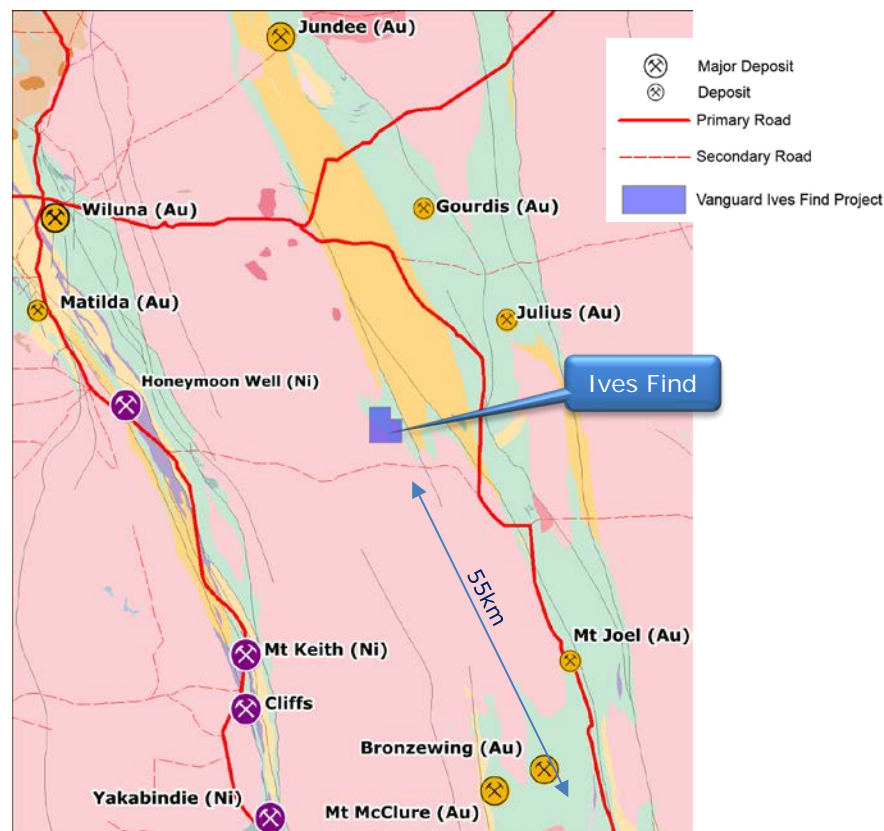
Figure 1. Location of GTE and Vanguard's North Yilgarn projects

### Ives Find Gold – Lithium Project

The Ives Find project area is located approximately 65 kilometres southeast of Wiluna and lies within the world-class Yandal Gold Province (fig 2). Exploration by Vanguard has established the presence of high-grade gold in drilling. In addition to the gold mineralisation there are also significant silver assays (table 1.)

The project is located approximately 55km from the Bronzewing mill and 6km from a main road that can connect the project to this mill. The mill is on care and maintenance and the current owners have

stated their intentions to re-start milling operations as soon as possible by consolidating mill feed within a 70km radius.



*Figure 2. Location of Ives Find in the Yandal belt, Western Australia*

Previous exploration carried out on the project included 19 shallow reverse circulation (“RC”) drill holes mostly targeting the historic Ives find workings and some surrounding areas in the late 1980s. This drilling intersected the high grade veins under the workings similar to what has been observed in the recent Vanguard drilling. It was recommended in the geological reports at the time to examine the possibility for tribute mining.

To date Vanguard has completed 52 shallow RC holes within the project area for a total of 2,609m with the majority of holes between 40m and 60m depth and two holes greater than 100m depth. Table 2 at the end of this report lists all the drill holes completed by Vanguard.

The gold mineralisation intersected so far occurs as narrow very high grade veins within shears hosted in granite. The grade appears to increase where these shears contain more mafic (amphibole) material. The mineralisation does not appear to be typical Archaean lode style and the multi-element geochemistry suggests a magmatic source for the mineralising fluid with anomalous bismuth, tungsten, tin, lead, copper and molybdenite associated with the gold-silver mineralisation. In addition to the high grade gold there is also an end of hole high grade intersection of 1m @ 1.5% tungsten in hole IFRC015 from 46m depth.

Drilling to date has identified three high grade veins; Bell Miner, Duck & Duckling as well as demonstrating gold mineralisation along approximately 1km of strike (fig 4). Further drilling is required at all three veins. There is also potential for further discoveries of similar high grade veins as there are a number of geochemical anomalies that remain untested. By example, the Duckling vein was a new discovery that was a geochemical anomaly.

In terms of greenfield exploration the Company believes there is also potential for much wider zones of mineralisation along the granite – greenstone contact where surface mapping indicates is sheared in places but has not yet been drilled

The company strategy going forward is:

- Continue exploration for near surface high grade veins
- Assess the potential for a high grade – low tonnage operation and trucking the ore to the Bronzewing mill which would require low capital for start up
- Carry out greenfield exploration including targeting the granite – greenstone contact and other geochemical and/or geophysical targets identified.
- Assess the lithium potential of the pegmatites within the project area

The Company's believes the Ives find project provides an excellent opportunity that limits downside risk but also has significant upside potential.

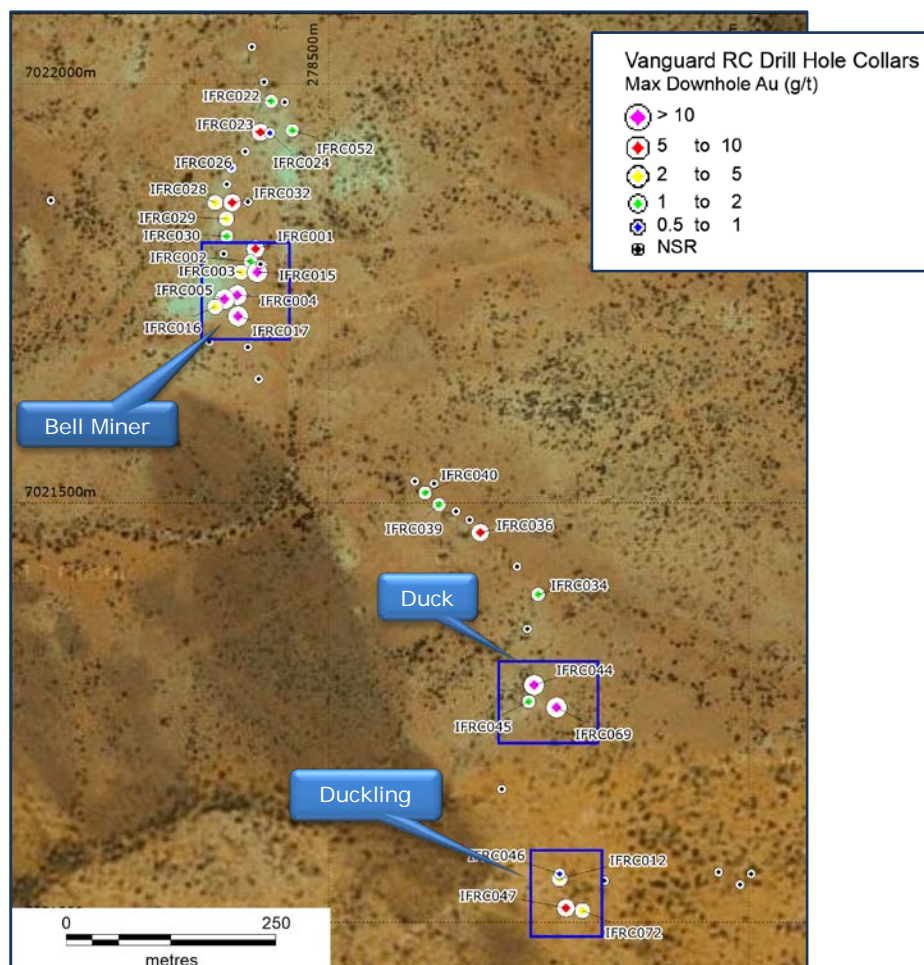




Figure 4: Drill hole collar location map for all Vanguard RC drilling at Ives Find. The collars have been coloured according to maximum downhole gold assay (1m sample; g/t Au) and Hole Nos included where there was maximum assay greater than 0.5 g/t

### Fairbairn Copper project

The Fairbairn project area is located approximately 170 kilometres north of Wiluna and is situated on the Jenkins-Goodin Fault Zone along strike from the Degrudda copper deposit (fig 3). Historical documents reported chalcopyrite within the project including 4m @ 2.43% Cu in drilling.

The company believes this prospect is prospective for Proterozoic copper (porphyry and VHMS) and Archaean lode gold. A number of prospective areas have been identified with one target granted EIS funding.

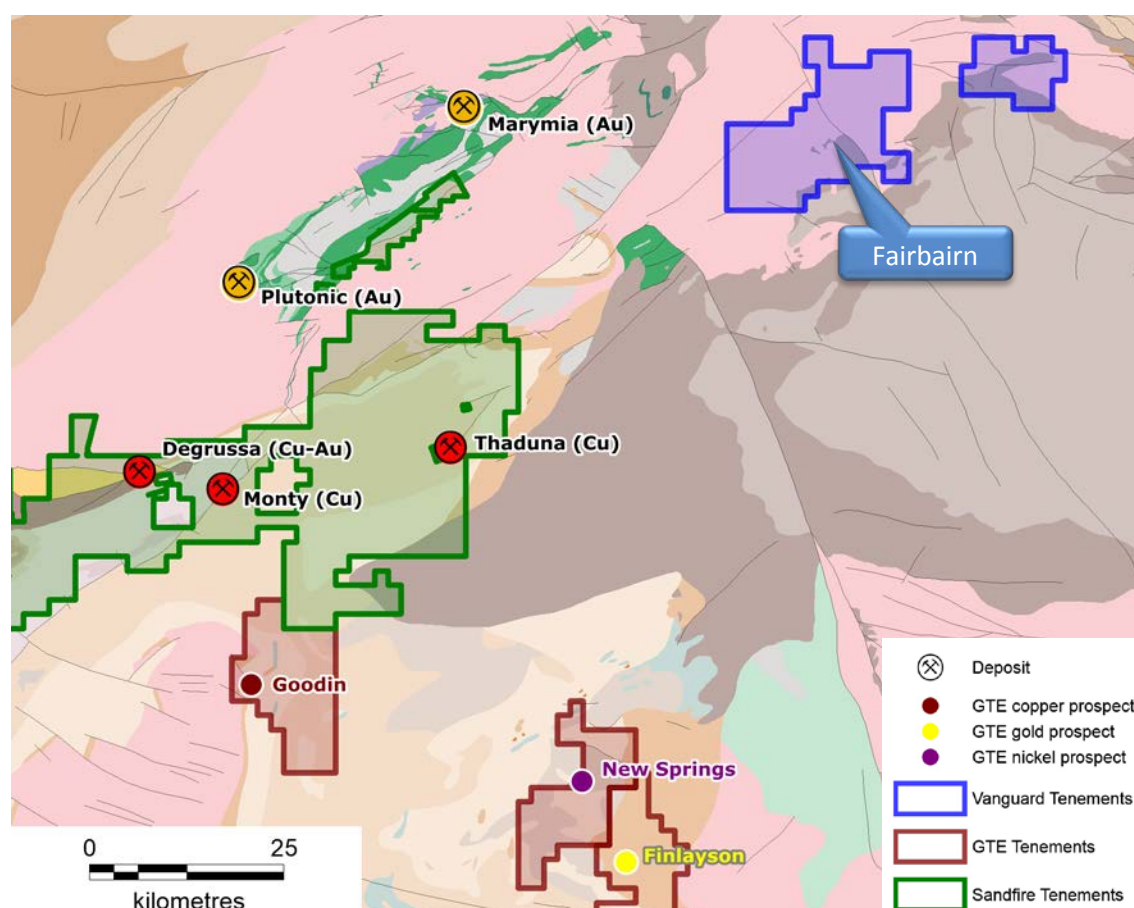


Figure 3: Location of Fairbairn along the Jenkins-Goodin fault

### Lithium Potential

Both prospects have favourable geology for lithium mineralisation.

The granite that hosts the gold mineralisation at Ives Find is rich in high field strength elements ("HFSE") which is rare for the Goldfields. These types of granites are known to produce lithium bearing pegmatites. There are a number of pegmatites within the project area that are spatially related to this

granite and are therefore prospective for lithium. There has been no previous exploration for lithium in this area.

At Fairbairn it has been documented in historical reports that drilling related to diamond exploration intersected an oxidised green mica rich rock co-incident with anomalous Rubidium (“Rb”) assays. This is consistent with the mineral lepidolite, a lithium ore mineral that is a green mica occurring in pegmatite that also contains Rubidium. It is routine for diamond explorers to assay for Rb as it can be used to help determine the presence of kimberlites or lamphroites which are rocks known to host diamonds and the reason why the drilling was not assayed for lithium at the time.

While the company’s primary focus will initially be on the Ives Find gold project it will progress these promising lithium opportunities quickly.

**Table 2: Summary of all Vanguard RC drilling at Ives Find and gold assays greater than 0.5 g/t**

Hole No	Easting	Northing	RL	Hole Depth (m)	Dip	Azimuth	From	To	Au g/t
IFRC001	278412	7021803	543	60	-60	250	43	44	<b>6.14</b>
IFRC002	278406	7021788	542	44	-60	250	36	37	0.55
							38	39	1.75
IFRC003	278395	7021775	542	54	-60	340	34	35	2.99
							35	36	4.77
							36	37	4.88
							37	38	1.54
							38	39	1.12
							39	40	1.11
							40	41	1.26
IFRC004	278390	7021748	541	48	-60	340	38	39	<b>19.70</b>
							39	40	<b>12.20</b>
							40	41	2.16
							41	42	0.63
IFRC005	278375	7021743	541	58	-60	340	34	35	<b>41.53</b>
							35	36	<b>114.90</b>
							36	37	1.16
IFRC007	278168	7021861	539	48	-60	270			NSR
IFRC011	278828	7021050	538	64	-60	180			NSR
IFRC012	278775	7021052	538	48	-60	180	25	26	3.16
IFRC014	278419	7021784	542	60	-60	250	49	50	0.82
IFRC015	278414	7021775	542	48	-60	250	47	48	<b>22.40</b>
IFRC016	278364	7021734	541	52	-60	340	33	34	4.39
							34	35	0.91
IFRC017	278391	7021723	541	68	-60	340	54	55	0.57
							55	56	<b>27.90</b>
							56	57	4.45
							57	58	0.80
							59	60	0.65
IFRC020	278408	7022044	546	31	-60	270			NSR

Hole No	Easting	Northing	RL	Hole Depth (m)	Dip	Azimuth	From	To	Au g/t
IFRC021	278422	7022002	546	50	-60	270			
IFRC022	278431	7021979	547	34	-60	270	10	11	1.90
							11	12	1.72
IFRC023	278418	7021942	546	50	-60	270	11	12	<b>6.78</b>
							12	13	1.37
IFRC024	278429	7021941	546	37	-60	270	19	20	0.94
IFRC025	278400	7021919	546	64	-60	270			NSR
IFRC026	278383	7021900	545	30	-60	270	4	5	0.95
IFRC027	278378	7021880	544	40	-60	270			NSR
IFRC028	278364	7021858	543	30	-60	270	6	7	2.32
IFRC029	278377	7021839	543	36	-60	270	6	7	0.50
							7	8	3.93
							8	9	2.52
IFRC030	278378	7021818	542	34	-60	270	2	3	0.58
							5	6	1.08
IFRC031	278374	7021797	542	40	-60	270			NSR
IFRC032	278384	7021858	543.5	58	-60	270	17	18	<b>4.98</b>
							18	19	<b>6.27</b>
							19	20	3.95
IFRC033	278403	7021859	544	58	-60	270			NSR
IFRC034	278749	7021391	541	40	-60	225	12	13	1.70
IFRC035	278736	7021350	541	48	-60	225			NSR
IFRC036	278680	7021465	543	40	-60	225	6	7	0.76
							8	9	<b>6.32</b>
							9	10	1.66
							10	11	0.82
							11	12	1.95
							12	13	0.79
							13	14	0.64
							24	25	1.32
IFRC037	278667	7021480	543	34	-60	225			NSR
IFRC038	278651	7021490	542	30	-60	225			NSR
IFRC039	278631	7021498	542	22	-60	225	10	11	1.52
IFRC040	278614	7021512	542	32	-60	225	15	16	1.88
							16	17	1.82
IFRC041	278602	7021526	542	40	-60	225			NSR
IFRC042	278625	7021523	542	64	-60	225			NSR
IFRC043	278724	7021424	542	40	-60	225			NSR
IFRC044	278744	7021283	541	28	-60	315	12	13	<b>25.10</b>
							13	14	1.41
IFRC045	278738	7021263	540	40	-60	315	13	14	1.13
IFRC046	278775	7021058	538	40	-60	270	18	19	0.65
IFRC047	278782	7021017	538	46	-60	270	5	6	0.87



Hole No	Easting	Northing	RL	Hole Depth (m)	Dip	Azimuth	From	To	Au g/t
							18	19	<b>5.96</b>
IFRC048	278990	7021045	537	47	-60	225			NSR
IFRC049	279003	7021058	537	58	-60	225			NSR
IFRC050	278964	7021060	538	52	-60	225			NSR
IFRC051	278447	7021978	547	64	-60	270			NSR
IFRC052	278456	7021944	547	52	-60	270	42	43	1.23
							44	45	0.55
IFRC060	278403	7021686	541	114	-60	340			NSR
IFRC061	278416	7021648	540	136	-60	340			NSR
IFRC065	278418	7021785	542	42	-60	340			NSR
IFRC069	278771	7021256	540	50	-60	315	32	33	1.03
							33	34	<b>22.17</b>
							34	35	0.60
							35	36	0.84
IFRC070	278357	7021692	540	92	-60	340			NSR
IFRC071	278706	7021692	540	50	-60	180			NSR
IFRC072	278802	7021014	538	64	-60	270	29	30	3.60
							33	34	0.80

\* Co-ordinates are UTM MGA94 zone 51.

\*\* Data supplied by Vanguard

\*\*\* Au g/t is calculated as average of primary and repeat assays where applicable

## Website

Vanguard have a website with the following address:

<https://vanguardex.com/>

The exploration results referred to in this announcement were first announced by the Company on 26 April 2016. The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement.