

QUARTERLY REPORT – JUNE 2011

Highlights

- Gravity and Soil Surveys at Doolgunna Completed – Drill Planning Underway
- New Applications for Nickel and Gold Tenements at Forrestania and Ravensthorpe
- Western Areas NL approved Diamond Drilling Program at the Mt Gibb JV
- Investigation of Overseas Opportunities

DOOLGUNNA

During the June quarter the company completed a regional 800m x 800m soil sampling program over the eastern half of the Doolgunna project together with a 2km x 1km gravity survey over the entire tenement area. The new gravity data has successfully identified a number of underlying gravity anomalies which the company believes are linked to basement structures of interest.

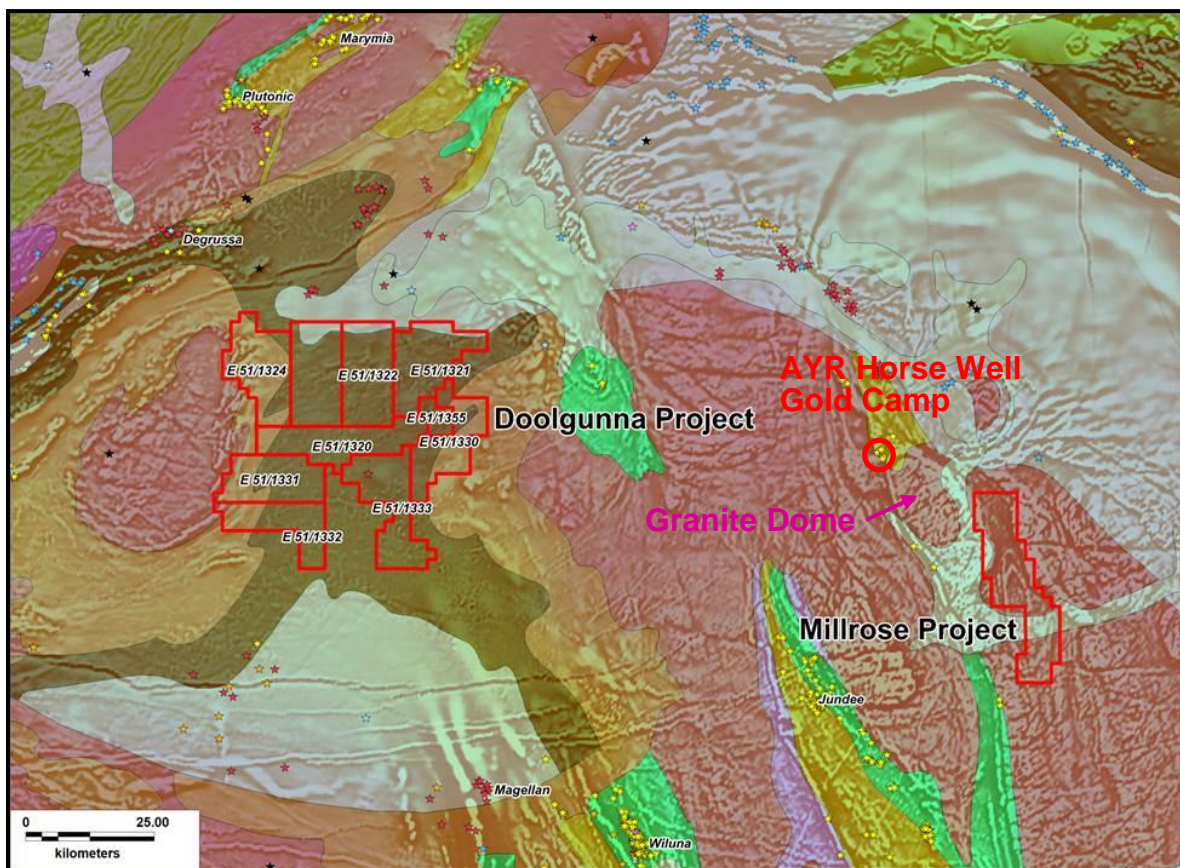


Figure 1: Location of Millrose and Doolgunna projects

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Reprocessing of magnetic surveys for the area was also undertaken during the period. All results were received late in the quarter and interpretation work using the combined datasets is now underway to determine the next round of drill targets at Doolgunna. It is the company's intention to seek additional grant funding for its ongoing exploration in the Yerrida Basin through DMP's Exploration Incentive Scheme and a submission to support diamond drilling is under preparation.

MILLROSE

The company has engaged Daishsat to undertake a detailed airborne magnetic survey at Millrose from mid-August 2011. The company has employed an experienced contract geologist and sample crew to commence reconnaissance mapping and sampling in September 2011. The company is encouraged by the recent drill success by Alloy Resources Limited [AYR-ASX] at Horse Well to the northwest of the Millrose Project. The Horse Well gold camp sits on the opposite side of a granite dome evident in Figure 1.

FORRESTANIA

Joint Venture partner Western Areas NL [ASX-WSA] has submitted a Conservation Management Plan to DEC in preparation for its approved diamond drilling campaign at Mt Gibb set to commence in August 2011. Great Western maintains its 30% free-carried interest in the Mt Gibb Project (Figure 2) and is keen to see further testing centred on last year's discovery of weakly anomalous nickel in ultramafic rocks southeast of Diggers Rocks.

PROJECT GENERATION***Forrestania Nickel and Gold Province***

Great Western Exploration Ltd is pleased to report that it has applied for several new exploration licenses (E70/4108-15) totalling ~1,350km² covering two, sub-parallel, NW-striking areas of magnetic anomalism in an area well-known to the company.

GTE believes that its generative exploration targets, shown in Figure 2, represent potential new nickel and gold prospective zones in under-explored areas of the southern Yilgarn Craton. There has been little concerted modern exploration for nickel sulphides or gold mineralisation in these regions despite the recent recognition of a suite of flat-lying faults/pegmatite dykes that offset and obscure steeply-dipping host rocks at the Flying Fox - Spotted Quoll - Cosmic Boy - Diggers Rocks high-grade nickel deposits. Great Western will conduct airborne magnetic surveying of the area in Q4 2011 with a view to mapping and sampling in Q1 2012.

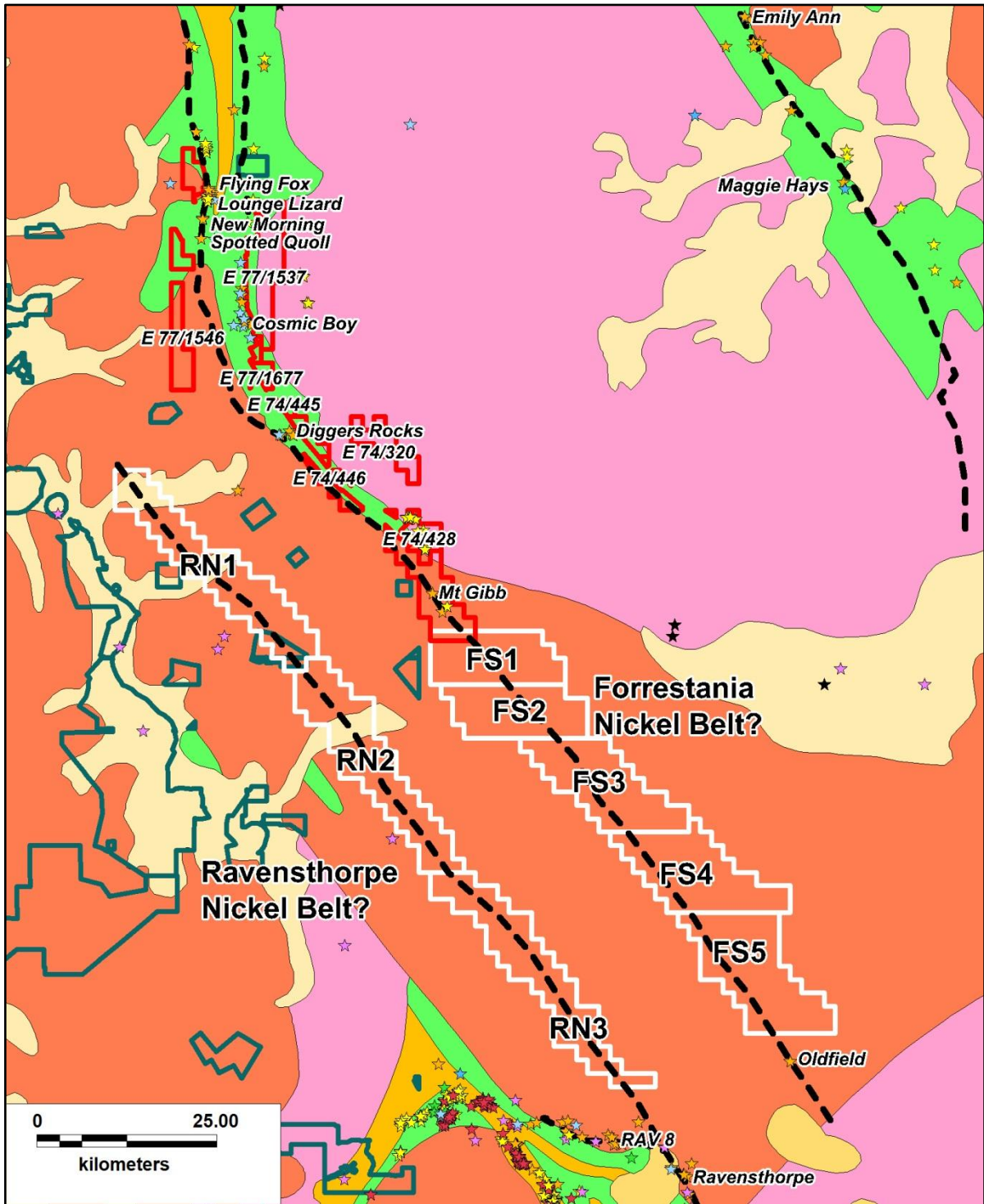


Figure 2: Location of Mt Gibb JV with WSA (red) and new applications at Forresteria (white)

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PROJECT GENERATION (CON'T)

Bullseye Project

Great Western Exploration Ltd has applied for a single exploration license (E53/1621) totalling 214km² over an area of structural complexity situated between the Yeelirrie Uranium deposit and the Mt Keith - Honeymoon Well nickel belt. The presence of NS shearing in the western half of the tenement and a prominent circular magnetic low to the east, potentially representing a late intrusion into granites, is of immediate interest to the company (Figure 3). Previous geochemical exploration by CRA over this area failed to effectively test these two zones and the company intends to map and sample them upon grant in October 2011.

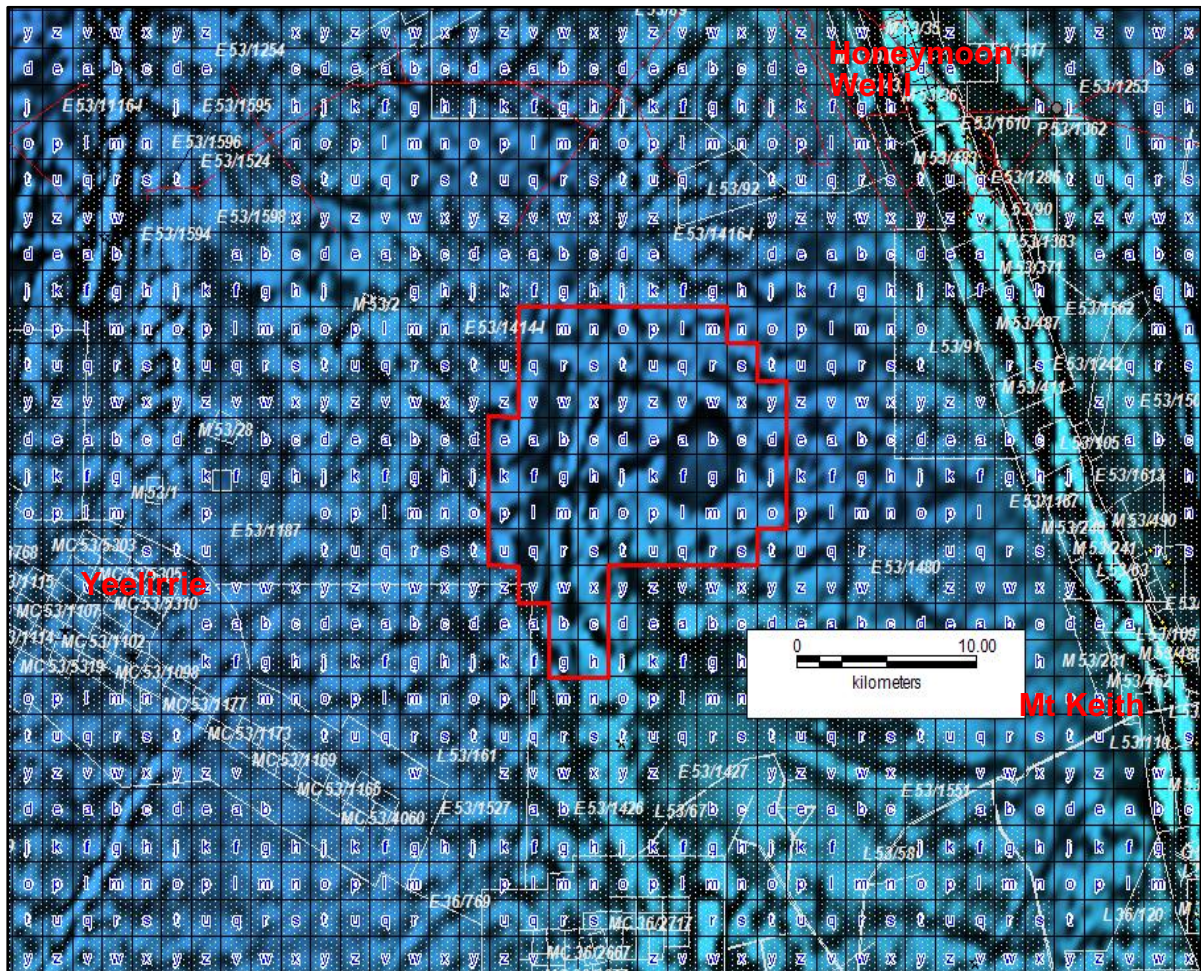


Figure 3: Bullseye Exploration License Application E53/1621 shown with Regional Magnetics

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BUSINESS DEVELOPMENT

Capital Raising

During the quarter the company announced a capital raising to be used predominantly to fund overseas opportunities. The capital raising comprises of 17,777,778 shares at \$0.45 per share to raise \$8,000,000. The shares also have a one for one free attached option exercisable at \$0.60 on or before 30 June, 2013.

The capital raising is subject to shareholder approval at the General Meeting of Shareholders which is being held 9 August 2011 at the Celtic Club, 48 Ord Street, West Perth.

Board Changes

During the quarter the company also announced that Jitto Arulampalam and Frank Cannavo joined the Board of GTE as Non-Executive Directors and Tom Bannerman resigned as a Director. Mr Arulampalam has been appointed as Non-Executive Chairman.

Both Mr Arulampalam and Mr Cannavo are Melbourne based businessmen who will add greater diversity to the Perth-based GTE board, including the ability to attract capital and lift the profile of the company in global capital markets.

Mr Arulampalam has long term corporate, financial and management experience and is currently Chairman of Fortis Mining Limited (ASX: FMJ) and Motopia Ltd (ASX: MOT). Mr Cannavo is also a director of those companies.

Mr Cannavo is a major shareholder of GTE and has an extensive high level contact base in the Asian region, with a proven track record of success in various enterprises and in creating solid workable business strategies, capital raisings, investment, acquisitions and IPO's.

The Company extends its appreciation to Mr Bannerman for his considerable efforts on behalf of the Company. Mr Bannerman was one of the founding Directors and resigns leaving the company in a strong position.

Overseas Opportunities

With the appointment of the new Directors the company has exposure to a network of individuals and private businesses with access to various mining projects overseas. During the quarter the company commenced assessing a number of these opportunities focussing primarily on base metals, copper and gold projects.

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This work has identified at least one project the company believes to be a high priority and has commenced negotiations to acquire it. The company is seeking to earn an interest in the project by providing technical expertise and funding to progress the project, which has significant historical resources, from the exploration stage to development.

No agreement has been reached at this time but negotiations are well advanced with an offer put forward and the company is now working through some of the finer details of the agreement.



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TENEMENT SCHEDULE

District	Project Name	Tenement No	Status	Ownership
<u>Forrestania Nickel and Gold</u>	Mt Gibb South	E74/305	Live	100%
	Mt Gibb North	E74/313	Live	100%
	Hatters North	E74/320	Live	100%
	Hatters Hill	P74/251	Live	100%
	Hatters Hill	P74/322	Live	100%
	Hatters Hill	E74/368	Live	100%
	Hatters Hill	E74/428	Live	100%
	North Iron Cap	E74/445	Live	100%
	North Iron Cap	E74/446	Live	100%
	North Iron Cap	E77/1537	Live	100%
	North Iron Cap	E77/1545	Live	100%
	North Iron Cap	E77/1546	Live	100%
	North Iron Cap	E77/1547	Live	100%
	North Iron Cap	E77/1590	Live	100%
North Iron Cap	E77/1677	Live	100%	
<u>Forrestania Nickel and Gold</u>	Ravensthorpe North	E70/4108	Pending	100%
	Ravensthorpe North	E70/4109	Pending	100%
	Ravensthorpe North	E70/4110	Pending	100%
	Forrestania South	E70/4111	Pending	100%
	Forrestania South	E70/4112	Pending	100%
	Forrestania South	E70/4113	Pending	100%
	Forrestania South	E70/4114	Pending	100%
	Forrestania South	E70/4115	Pending	100%
<u>Doolgunna Base Metals</u>	Doolgunna	E 51/1320	Live	100%
	Doolgunna	E 51/1321	Live	100%
	Doolgunna	E 51/1322	Live	100%
	Doolgunna	E 51/1323	Live	100%
	Doolgunna	E 51/1324	Live	100%
	Doolgunna	E 51/1330	Live	100%
	Doolgunna	E 51/1331	Live	100%
	Doolgunna	E 51/1332	Live	100%
	Doolgunna	E 51/1333	Live	100%
	Doolgunna	E 51/1355	Live	Earning 90%
	<u>Bullseye Gold/REE</u>	Walling Rock	E53/1621	Pending
<u>Wiluna Gold</u>	Millrose	E53/1619	Pending	100%
	Millrose	E53/1620	Pending	100%
<u>Northam</u>	Grass Valley	E70/3992	Pending	100%

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 Lockett who is a member of the Australian Institute of Mining and Metallurgy. Mr Lockett 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lockett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.