ASX ANNOUNCEMENT

ASX: GTE

28th March 2018

Yandal West Drilling Update

HIGHLIGHTS

- **Phase 2 drilling comprising a further 18 RC holes for a total of 1,647m completed, with the target structures continuing and remaining open**
- **Each of the step out lines intersected further veining, alteration and shearing, and with approximately 10% of the May Queen target area now drill tested**
- **Assays due in approximately 3 weeks**
- **11 holes were surveyed utilising OTV, with clear imagery that will allow for better geological interpretation**
- **A larger, third phase of drilling is scheduled to re-commence in mid-April, comprised of both RC and diamond, with the latter part of the programme to be planned from the results of Phase 2 and the OTV downhole survey**

Great Western Exploration Limited ("the Company"; "Great Western") (ASX: GTE) is pleased to report that Phase 2 RC drilling has been completed at Yandal West. A further 18 holes for a total of 1,647m were completed.

This phase of drilling comprised of:

a) 80m step out lines from the previous reported intersections;
b) a 40m infill line to provide additional information on the northern mineralised trend as well as provide clean holes for downhole OTV surveying; and
c) an off-trend line testing a new structural target further south of the most southern zone.

Each of the step out lines intersected further shearing that contained veining, alteration and sulphide mineralisation that the Company believes to be on trend, indicating the mineralised structures appear to continue along strike and remain open in all directions.

Downhole optical televiewer surveys ("OTV") were successfully completed in 11 holes. Together with the Phase 2 assays, the OTV data will increase the confidence in the Company's geological interpretation and understanding of the gold mineralised system.

A larger 3rd phase of step out drilling is scheduled to commence mid-April.

Managing Director, Jordan Luckett commented:

"It is really encouraging that we continue to intersect what we think are the target structures on widely spaced drill lines. On a technical level, another pleasing outcome from Phase 2 is that we are starting to feel we are getting a better handle on what is going on geologically. The extent of veining, alteration and shearing encountered so far at Yandal West is really exciting for us and we are looking forward to receipt of the Phase 2 drilling assay results over the next few weeks, and interpreting the OTV data and the commencement of Phase 3 drilling"

Background

On the 13th March Great Western announced that Phase 2 drilling had re-commenced at the May Queen prospect. The Phase 2 drilling was the first drilling to follow-up the Company's greenfields high-grade gold discovery at Yandal West (ASX Release: 30/11/2017 & 30/01/2018). The previously announced results include (**Fig 1**):

HFRC022: **11m @ 9.58 g/t** gold from 57m; includes 1m @ 98.7 g/t (1m interval sampling)
HFRC019: **16m @ 1.64 g/t** gold from 13m; includes 1m 13.1 g/t gold (1m interval sampling)
3m @ 2.51 g/t gold from 33m; includes 1m @ 5.93 g/t (1m interval sampling)
6m @ 1.22 g/t gold from 60m; includes 1m @ 5.92 g/t (1m interval sampling))
HFRC025: **20m @ 1.14 g/t** gold from 76m (4m interval sampling)
HFRC042: **4m @ 4.48 g/t** gold from 4m (4m interval sampling)
HFRC040: **4m @ 3.25 g/t** gold from 80m (4m interval sampling)

The main target area at May Queen comprises of 3.5km x 800m (~2.9 km^2 area) gold-in-soil anomaly (> 20 ppb Au) co-incident with a structurally complex aeromagnetic setting within Archaean greenstone terrain that was not previously drilled (ASX Release 19/10/2017).

The Company's current interpretation is that May Queen occurs within a ~6km x 1.5km structurally complex corridor of anastomosing shears linked by two or more main faults orientated in a northwest direction within heterogenous greenstone sequence comprised of basalts, felsic schists, volcaniclastics and felsic intrusions. This is typical for Archean gold lode type deposits in the region, and the Company believes the scale of the structural setting allows for the discovery of significant gold mineralisation

Shearing, veining and alteration with gold mineralisation have been intersected in all the drill lines completed to date, with approximately 10% of the target area drill tested. The Company believes this indicates the potential for a large gold system associated with May Queen gold-in-soil anomaly and high-grade discovery.

Drilling to date has consisted mostly of widely spaced lines testing structural trends along strike of the initial intersected mineralised zones (**Fig 1**) to determine the potential size and orientation of these trends. As yet, the limits of these trends have not been defined.

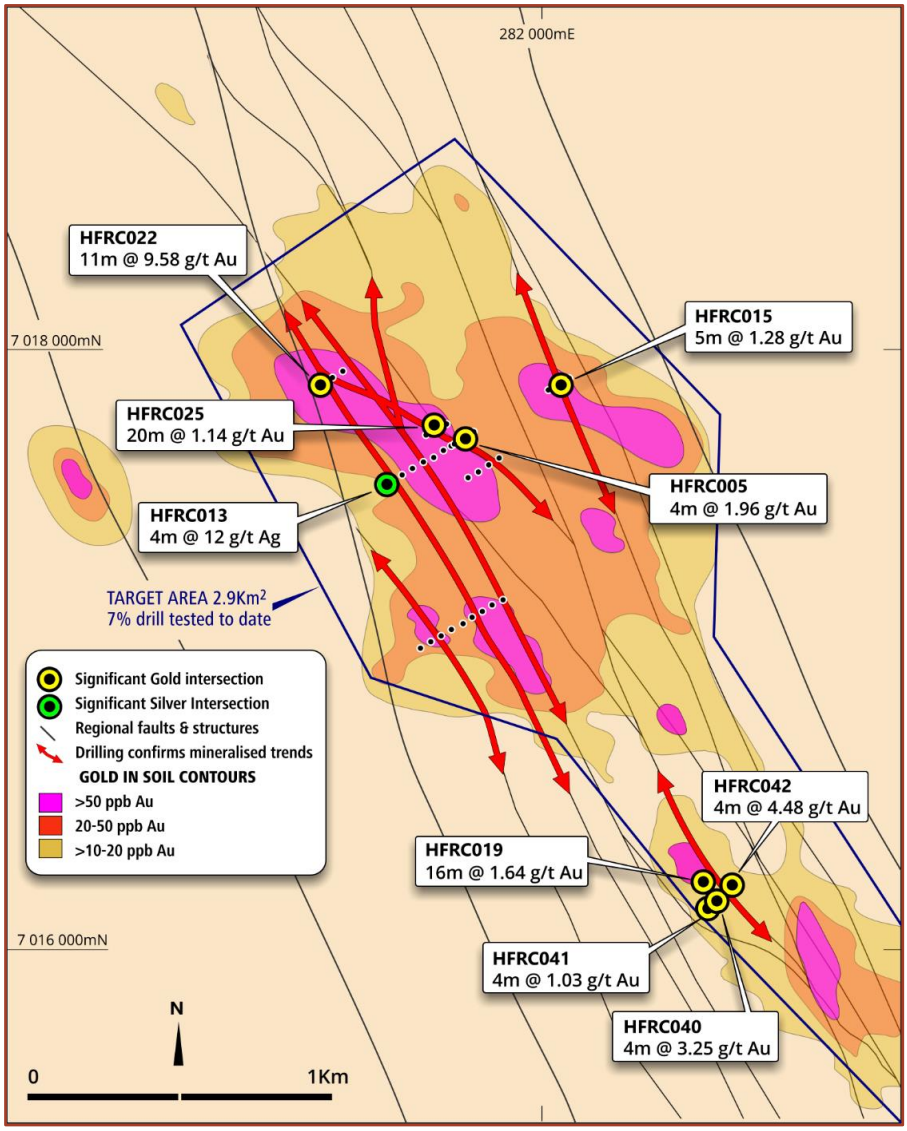

Figure 1. RC Drilling completed at Yandal West prior to the completion of Phase 2 within the May Queen target area.

About the Yandal West Project

The Yandal West gold project is located within the world-class Yandal gold belt (fig 3), 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.

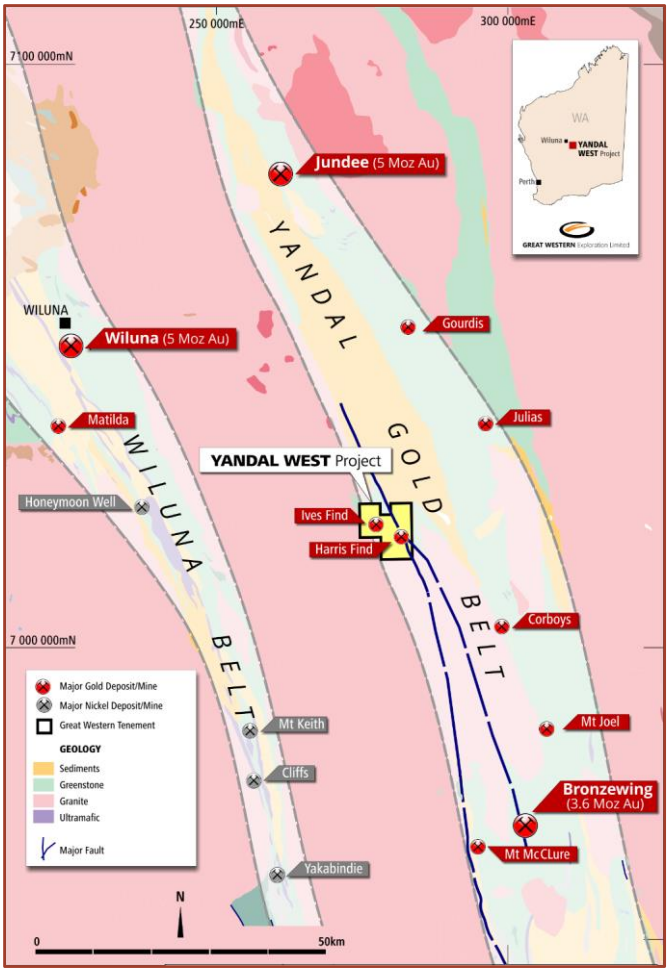

Figure 2. Location of the Yandal West gold project

In February 2017 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 (see ASX Release of 29 March 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 soil geochemical and detailed aeromagnetics programmes. This work resulted in the discovery of a 9km gold-in-soil trend co-incident with regional scale aeromagnetic structures.

The May Queen prospect is in the south eastern area of the 9km gold trend where there is a strong (> 20ppb) 3.5km long soil anomaly coincident within a ~6km x 1.5km area of an aeromagnetic structurally complex area identified by Newexco Consultants within greenstone terrain with no previous drilling. Late 2017 the Company completed maiden RC drilling that made the exciting gold discovery that the Company is now the process of evaluating.

References

Drilling Resumes at Yandal West Gold Project:	ASX Release 13th March 2018
Further Strong Results and High-Grade Gold at Yandal West:	ASX Release 30th January 2018
Yandal West Gold Project Drilling Update:	ASX Release 22 December 2017
Phase 2 Drilling Commenced at Yandal West Gold Project:	ASX Release 8th December 2017
Greenfields Gold Discovery at Yandal West Project:	ASX Release 28 November 2017
Latest soil sampling results:	ASX Release 19 October 2017
Detailed aeromagnetic survey results:	ASX Release 1st August 2017
Latest Ives Find RC drilling results:	ASX Release 29th March 2017
Reference to silver at Ives Find:	ASX Release 23rd September 2016

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.