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## STEENKAMPSKRAAL MINING PERMIT ISSUED BY SOUTH AFRICAN GOVERNMENT

June 3, 2010 - Saskatoon, Canada. Great Western Minerals Group Ltd. ("GWMG", TSX:V - GWG) and Rare Earth Extraction Co. Limited ("Rareco") of Stellenbosch, South Africa are very pleased to announce that the Department of Mineral Resources of South Africa has granted a New Order Mining Right to a subsidiary of Rareco with respect to the Steenkampskraal Monazite Mine.

*Trevor Blench, Chairman of Rare Earth Extraction Co. today stated, "Rareco is pleased to announce that the Department of Mineral Resources has granted a New Order Mining Right to Steenkampskraal Monazite Mine (Pty.) Ltd. (SMM), situated in the Western Cape Province of South Africa. Rareco and Great Western Minerals Group Ltd. of Saskatoon, Canada, plan to bring Steenkampskraal into production as one of the first new Rare Earth mines outside of China."*

"We are exceptionally pleased with the New Order Mining Permit for Steenkampskraal," stated GWMG President and CEO Jim Engdahl. "This is a critical step in enabling GWMG and Rareco to bring the Steenkampskraal mine back into production as one of the first new Rare Earth mines outside of China. We project Steenkampskraal to be one of the highest grade Rare Earth mines in the world and therefore one of the world's lowest cost producers."

*As well, Mohamed Madhi, Chairman of Areva South Africa and Advisory Board Member of GWMG stated, "The granting of this mining right represents a significant milestone for South Africa and GWMG. For South Africa it signals the establishment of Rare Earth mining activity and the development of related industries arising from the beneficiation of Rare Earth metals resulting in new skills and competencies. These will ultimately enhance South Africa's competitiveness in the Rare Earth industries global supply chain. For GWMG, Steenkampskraal is significant since it is a high grade resource and can be brought to production quickly. This allows GWMG to strengthen its ability to provide a stable high quality source of Rare Earth metals to market as well as to apply its beneficiation expertise locally."*

With the issuance of the New Order Mining Right, GWMG and Rareco are moving forward to finalize the Supply Agreement in accordance with the terms of the Option Agreement signed in December 2008. The drafting of the Supply Agreement is well underway and, when finalized, will give GWMG the right to purchase 100% of the Rare Earth products recovered from the mining and processing of the Steenkampskraal ore.

"Strategically, this is of great importance to our company," continued Engdahl. "GWMG intends to purchase 100% of the Rare Earth concentrate from the mining operation for further separation and concentration. That means we would be able to use this supply source to serve current and future Rare Earths customers."

GWMG owns two Rare Earths processing facilities – Less Common Metals Limited in Birkenhead, United Kingdom and Great Western Technologies Inc. in Troy, Michigan. These plants are leaders in the manufacture and supply of Rare Earth based alloys, powders and high purity metals. GWMG intends to further separate and concentrate the individual Rare Earths for downstream use in its metals and alloys facilities.

Readers should refer to the news releases of January 13, 2009 "[Great Western Minerals Signs Option Agreement to Recommission Rare Earth Mine in South Africa](#)" and September 25, 2009 "[Great Western Minerals Group Makes Second Option Payment on Steenkampskraal Project](#)" and to GWMG's current annual information form at [www.sedar.com](http://www.sedar.com) for further details of the Option Agreement.

GWMG wishes to congratulate Trevor Blench and Rareco management for their dedication and perseverance in making the New Order Mining Right a reality.

Jim Engdahl  
President and CEO

Great Western Minerals Group Ltd. is a Canadian-based developer of Rare Earth Element assets and a manufacturer



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of metals and alloys containing predominantly Rare Earth Elements. GWMG has seven Rare Earth exploration and development properties in North America and an option with respect to a former producing property in South Africa. As part of the Company's strategy to pursue a vertically-integrated business model, the Company's wholly-owned subsidiaries of Less Common Metals Limited located in Birkenhead, UK, and Great Western Technologies Inc., located in Troy, Michigan, produce a variety of specialty alloys for use in the battery, magnet and aerospace industries. These highly specified alloys include those containing aluminum, nickel, cobalt and Rare Earth Elements.

For further information, please contact Dwight Percy, Manager of Investor Relations at (306) 659-4500. Email inquiries should be made to [info@gwmg.ca](mailto:info@gwmg.ca). The Company's website is at [www.gwmg.ca](http://www.gwmg.ca). Inquiries by direct mail should be addressed to Great Western Minerals Group Ltd., 226 Cardinal Crescent, Saskatoon, SK S7L 6H8.

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*Certain information set out in this News Release constitutes forward-looking information. Forward-looking statements (often, but not always, identified by the use of words such as "expect", "may", "could", "anticipate" or "will" and similar expressions) may describe expectations, opinions or guidance that are not statements of fact and which may be based upon information provided by third parties. Forward-looking statements are based upon the opinions, expectations and estimates of management of GWMG as at the date the statements are made and are subject to a variety of known and unknown risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. Those factors include, but are not limited to the satisfaction by GWMG of the conditions required to exercise the Option Agreement, the negotiation and execution of the Supply Agreement, the satisfaction of all terms contained in the Supply Agreement, the receipt of all other required approvals relating to the proposed activities at the Steenkampskraal Mine, the ability to obtain the required financing, receipt of all required approvals and risks, uncertainties and other factors that are beyond the control of GWMG, risks associated with the industry in general, commodity prices and exchange rate changes, operational risks associated with exploration, development and production operations, delays or changes in plans, risks associated with the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. In light of the risks and uncertainties associated with forward-looking statements, readers are cautioned not to place undue reliance upon forward-looking information. Although GWMG believes that the expectations reflected in the forward-looking statements set out in this press release or incorporated herein by reference are reasonable, it can give no assurance that such expectations will prove to have been correct. The forward-looking statements of GWMG contained in this News Release, or incorporated herein by reference, are expressly qualified, in their entirety, by this cautionary statement and the risk factors contained in GWMG's current annual information form.*