

## **GREAT WESTERN MINERALS GROUP LTD.**

FOR IMMEDIATE RELEASE

TSX Venture Exchange Symbol: GWG

USA Symbol: GWMGF

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### **GREAT WESTERN MINERALS GROUP PROPOSES AMENDMENTS TO OUTSTANDING WARRANTS**

May 6, 2009 – Saskatoon, Saskatchewan – Great Western Minerals Group Ltd. (“GWMG” or the “Company”) is pleased to announce that the Company has submitted a proposal to the TSX Venture Exchange under Policy 4.1, Subsection 4.3 - “Repricing Warrants” (“Policy 4.1”), to amend the exercise price and expiry date for 37,658,079 currently outstanding Eligible Warrants (as defined below).

The Eligible Warrants include certain warrants of the Company that were originally issued pursuant to private placements completed in 2007, 2008 and 2009. In accordance with Policy 4.1, the Eligible Warrants do not include 2,613,200 warrants of the Company issued in connection with the Company’s Early Exercise Warrant Program of August 2008.

Specifically, GWMG is requesting approval to:

1. Replace each whole Eligible Warrant with two half-warrants, being one half-warrant with an exercise price of \$0.10, and a second half-warrant with an exercise price of \$0.15 (the “Amended Warrants”). The current exercise prices of the existing Eligible Warrants range from \$0.15 to \$0.55.
2. Extend the term of the Amended Warrants by one full year from the current expiration date of the applicable Eligible Warrant. The current expiration dates for the Eligible Warrants range from May 18, 2009 to March 16, 2011.

In accordance with Policy 4.1, certain of the Amended Warrants as listed below will be subject to a reduced term of 30 days (the “Exercise Period”) if, for any ten consecutive trading days during the unexpired term of the Amended Warrant (the “Premium Trading Days”), the closing price of the Company’s shares exceeds the “trigger price” as described below.

For Amended Warrants repriced to \$0.10, the trigger price for the Exercise Period will be \$0.125. For Amended Warrants repriced to \$0.15, the trigger price for the Exercise Period will be \$0.19. The Exercise Period will begin seven calendar days after the tenth Premium Trading Day. If a warrant holder does not exercise their Amended Warrants which are subject to the Exercise Period during the term of the Exercise Period, the Amended Warrants will expire at the end of the Exercise Period.

Specifically, the Eligible Warrants are:

- 2,017,975 warrants issued pursuant to a private placement which closed May 22, 2007, having an exercise price of \$0.55 and expiring May 22, 2009;

- 2,547,500 warrants issued pursuant to a private placement which closed June 26, 2007, having an exercise price of \$0.55 and expiring June 26, 2009;
- 1,050,000 warrants issued pursuant to a private placement which closed July 18, 2007, having an exercise price of \$0.55 and expiring July 18, 2009; and
- 24,153,500 warrants issued pursuant to a private placement which closed August 15, 2007, having an exercise price of \$0.55 and expiring August 15, 2009.

Under the Policy 4.1, the following Amended Warrants are also Eligible Warrants, but are exempt from the reduced term of the Exercise Period since the exercise price of these Amended Warrants is still above the market price of the Company's common shares at the time the original warrants were granted:

- 460,329 warrants issued pursuant to a private placement which closed October 31, 2008, having an exercise price of \$0.20 and expiring October 31, 2010;
- 4,166,666 warrants issued pursuant to a private placement which closed December 16, 2008, having an exercise price of \$0.20 and expiring December 16, 2010;
- 1,666,666 warrants issued pursuant to a private placement which closed December 18, 2008, having an exercise price of \$0.20 and expiring December 18, 2010; and
- 1,595,443 warrants issued pursuant to a private placement which closed March 19, 2009, having an exercise price of \$0.15 and expiring December 18, 2011.

**Warrantholders are requested to contact the Company within three business days of the issuance of this news release and provide any comments they may have on the proposed amendments prior to final approval by the TSX Venture Exchange.**

Jim Engdahl, President and CEO of Great Western Minerals Group says, “Our shareholders and warrant holders have been very patient with our progress, but they are also affected by the overall economic downturn. They have supported GWMG at much higher share prices and may be concerned that the share price will not reach the higher exercise prices before expiry of their warrants. This initiative on our part will recognize our shareholders’ loyalty and support with amended warrants that more accurately reflect the current market conditions.”

Engdahl adds, “The global industrial end-users of rare earth elements need a secure supply of raw materials from a second source outside of China. We want to take the necessary steps to allow us to continue with our strategy and become one of the independent suppliers of the raw materials that the world needs. Without rare earth elements, advances in alternative or green energy technologies, including hybrid vehicles and wind turbines, could not happen. One of the steps to help us maintain our leadership as a developer of rare earth properties is to adjust our capital structure with lower priced warrants and extended expiration dates which may provide easier access to financing as the global economy turns around.”

Jim Engdahl  
President and CEO

## **About Great Western Minerals Group Ltd.**

Great Western Minerals Group Ltd. is a Canadian-based company exploring for, and developing, strategic metal resources in North America. Pursuing 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 "designer" alloys include those containing aluminum, copper, nickel, cobalt and the rare earth elements.

For further information, please contact Ron Malashewski, Manager of Investor Relations at (306) 659-4516. Email inquiries should be made to [info@gwmg.ca](mailto:info@gwmg.ca) and the company website is located 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.

*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.*

*Certain information set out in this News Release constitutes forward-looking information, including information relating to estimates of sales and revenue of GWMG. 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 the Company 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 obtaining regulatory approval with respect to the proposed amendments, risks, uncertainties and other factors that are beyond the control of the Company, 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 the Company 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 the Company contained in this press release, or incorporated herein by reference, are expressly qualified, in their entirety, by this cautionary statement.*