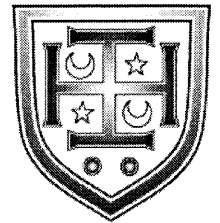


# Findlay Securities Limited

Level 12, 10 Spring Street, Sydney NSW 2000  
Phone: (02) 9259 8000, Fax: (02) 9247 9342  
ACN 124 891 685



## MARKET ANNOUNCEMENT

14<sup>th</sup> November 2007

## FINDLAY SECURITIES LIMITED

**Fairstar Resources Limited**

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### FAIRSTAR RESOURCES LTD.

Set out below is an announcement by Fairstar Resources on an underwriting arrangement.

Findlay Securities confirms that its subsidiary has entered into these commercial arrangements on an attractive fee basis. For the 1st tranche of the underwriting, a \$10 million raising if the GWR bid becomes unconditional, that is FAS acquires more than 50% but less than 90% of GWR, Findlay has sub underwriting arrangements on a back to back basis in place. The 2nd tranche of the underwriting, a further \$15 million raising, will only be required if FAS acquires more than 90% of GWR and funding is required.

**Ivor Findlay**  
**Chairman**  
14<sup>th</sup> November 2007

For further details please contact:

Richard Mollett  
Executive Director  
02 9259 8031  
0413 314 802

13 November 2007

The Company Announcements Officer  
Australian Securities Exchange  
2 The Esplanade  
Perth WA 6000

Dear Sir

**Underwriting Agreement in place as part of Takeover Bid**

In accordance with Listing Rule 3.10.3, Fairstar Resources Limited (**Fairstar**) announces that it has entered into an agreement with Findlay & Co Stockbrokers (Underwriters) Pty Ltd (**Findlays**) whereby Findlays will underwrite a placement of Fairstar shares to institutional and professional investors to fund the transaction and other costs associated with Fairstar's current takeover bid for Golden West Resources Limited (**GWR**).

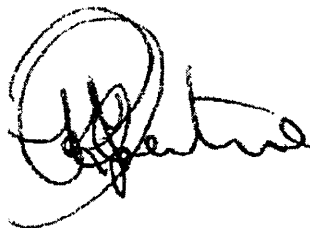
The agreement contemplates that the placement will raise \$10 million (if the GWR bid becomes unconditional and Fairstar acquires less than 90% of GWR) or \$25 million (if the bid becomes unconditional and Fairstar acquires more than 90% of GWR), in either case at a price per Fairstar share equal to the lower of \$0.50 or 80% of the market price of Fairstar shares at the time the placement is made. In both cases the amount to be raised will be net of the underwriting fee referred to below.

Findlays will receive an underwriting fee of 6% of the amount raised and will be entitled to reimbursement of its reasonable expenses. It will also receive an administration fee of \$100,000 if the placement does not proceed.

Findlays' underwriting commitment is subject to standard termination events, including a 5% fall in the S&P ASX 200 Index, the outbreak of war, force majeure, a material adverse change in Fairstar's assets or liabilities, Fairstar's insolvency, or a breach by Fairstar of the representations and warranties given by it under the agreement. Findlays can also terminate its underwriting commitment if the GWR bid has not become unconditional within three months.

At this stage, Fairstar anticipates that the placement will not require shareholder approval.

Yours faithfully



**KEVIN J. ROBERTSON**  
Managing Director  
Fairstar Resources Limited

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