

**ASX/Media release**  
**15 November 2007**

## **FAIRSTAR REAFFIRMS COMMITMENT TO GOLDEN WEST TAKEOVER**

- **Bidder's Statement and Supplementary Bidder's Statement dispatched to Golden West shareholders**
- **Underwriting Agreement for placement of up to \$25m in place**
- **Fairstar's Offer for Golden West scheduled to close on December 13, 2007**

Fairstar Resources Limited (ASX: FAS) (Fairstar, the Company) has lodged an updated Supplementary Bidder's Statement and put in place an Underwriting Agreement to fund transaction costs and other costs that may become payable under Fairstar's takeover bid for Golden West Resources Limited (ASX: GWR) (Golden West).

In lodging the updated Supplementary Bidder's Statement yesterday, Fairstar has reaffirmed and strengthened its commitment to its takeover bid for Golden West, and demonstrated its ongoing willingness to work with Golden West in an open and transparent manner in respect of the bid.

Fairstar's Offer for Golden West is scheduled to close on December 13, 2007.

Of material interest in the updated Bidder's Statement is the Underwriting Agreement which Fairstar has entered into with Findlay & Co Stockbrokers (Findlays) which will see Findlays underwrite a placement of Fairstar shares to institutional and professional investors to fund costs that may arise from Fairstar's bid for Golden West.

Under the terms of the Underwriting Agreement, 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.

The price of the placement will be the lower of \$0.50 per Fairstar share, or 80% of the market price of Fairstar shares at the time the placement is made. Findlays will receive an underwriting fee of 6% of the amount raised and the amount raised will be net of the underwriting fee. Findlays will receive an administration fee of \$100,000 if the placement does not proceed.

Fairstar managing director Kevin Robertson said that the Underwriting Agreement demonstrated Fairstar's commitment to the takeover bid and the Company's preparedness to conduct the transaction in an open and transparent fashion.

"We have previously confirmed our position in respect of transaction and other costs that may become payable under our Offer and have indicated that we would fund any such costs through an equity raising which is what we have now put in place," Mr Robertson said

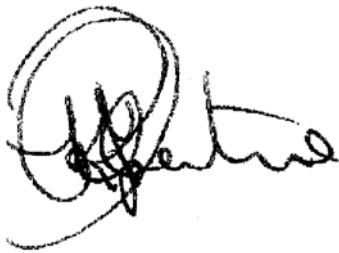
"While we do not believe that the takeover transaction will inevitably attract stamp duty, this Underwriting Agreement is in place to deal with this contingency, and is a further sign of our unwavering commitment to our bid for Golden West.

“It is interesting that Golden West has stated it believed our position in respect of stamp duty should Fairstar acquire more than 90% of Golden West was a material deficiency of our Offer when yesterday, November 13, Golden West said in an ASX announcement it had received written commitments representing 22.6% of the Company's shares to reject Fairstar's Offer.

“If this is the case, Golden West's issue in respect of the stamp duty at 90% of acceptances has been a moot point.”

“In the same announcement Golden West said that after careful consideration it had rejected our Offer as not being in the best interests of shareholders. It is surprising that Golden West felt confident to provide such a recommendation before it had even sighted Fairstar's Supplementary Bidder's statement.”

Yours faithfully



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Managing Director  
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