



15 November 2007

ASX ANNOUNCEMENT

Corporate Summary

ASX Code: GWR

Issued Capital: 73 Mil

Issued Options: 42 Mil

Market Cap fully diluted

Nov 07 \$A293 Mil

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GOLDEN WEST REITERATES SHAREHOLDERS

REJECT FAIRSTAR'S OFFER

Dear Shareholder,

Golden West Resources Limited (Golden West) notes that Fairstar Resources Limited has lodged a Supplementary Bidder's Statement for an all scrip takeover offer of Your Company.

After careful consideration of the Supplementary Bidders Statement, the Directors of Golden West repeat their advice to shareholders from yesterday to **REJECT** the offer.

Golden West has received significant support from its shareholders with written assurances from shareholders representing 22.6% of the Company's shares endorsing the decision to **REJECT** the offer.

As a consequence, scrip-for-scrip capital gains tax rollover relief will not be available to Golden West shareholders who accept the offer, because it cannot attain the minimum 80% acceptances required for such relief to apply.

Many Golden West shareholders are therefore likely to face significant tax liabilities should they accept the offer from FAS.

Golden West is convinced the offer is inadequate and provides no upside benefit to progress the development of the Wiluna West iron ore project.

As Golden West has previously stated the offer from Fairstar is of uncertain value as there is no cash component and Fairstar stock is highly volatile and illiquid. It will significantly dilute existing shareholders' ownership of the Wiluna West Iron Ore Project and does not bring any synergies between the companies' assets or improve the Company's asset base.

By accepting the offer, Golden West Shareholders would significantly dilute their exposure to Wiluna West, with former Golden West Shareholders owning only approximately 70% of the Project in exchange for Fairstar shares if the offer was to succeed.

Fairstar's projects are all early stage exploration projects with significant risk and unproven potential.

While Golden West owns some similar early stage projects, the Company also owns the more advanced Wiluna West Iron Ore Project, which has a JORC compliant Inferred Mineral Resource of 86.3 Mt at 60.1% Fe and is moving towards the early stages of development.

Ends

Messrs Michael Wilson and Alan Rudd, Directors of Golden West Resources, have notified the Company of a material personal interest with respect to the takeover bid by Fairstar for Golden West and have not, and do not, participate in decisions by the Board with respect to the Fairstar bid, including this announcement.

For more information, please contact:

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