

Highlights

Wiluna West Iron Ore Project

- Commercial discussions concerning port and infrastructure access at the Port of Geraldton were significantly advanced during the quarter with renewed focus on the commencement of mining activities via Geraldton.
- Mining consultants, Optiro have been engaged to support detailed mine planning activities as part of the proposed mining of the high grade JWD deposit.
- Work has commenced on the clearing permit application for C3, C4 and Bowerbird deposits following the favourable outcome of the large scale mining referral with the EPA earlier this year.
- The proposed development of a new multi-user iron ore export facility at the Port of Esperance progressed with two consortia invited to respond to an RFP as part of the procurement process directed at selecting a proponent to design, finance, construct and operate the planned MUIOF.

Wiluna West Gold Project

- GWR is monitoring the situation in respect to the sale of Apex's assets.

Earaheedy Iron & Manganese Project

- Processing of the detailed air magnetic survey undertaken earlier in the year has been undertaken
- A geological mapping program was undertaken upon E69/3022 over a magnetic target interpreted to be the prospective Frere Formation

Woodley Iron Project

- Detailed geological mapping was undertaken over Targets 2 and 3 where significant intercepts were achieved in 2012
- A 1200m RC drilling program is planned to further test Targets 2 and 3

Corporate

- GWR remains well funded with cash reserves of \$22.7m and no debt. This strong cash position continues to allow GWR to assess a number of new project opportunities in Australia and Africa.

About GWR

Golden West Resources Limited (GWR) is an emerging iron ore producer in the Midwest region of Western Australia.

To date the company has a total JORC Code compliant Hematite Reserve of 69.2Mt, comprising of Proven 2.9Mt @ 59.7% Fe and Probable 66.4Mt @ 60.3% Fe; and a Resource of 130.3Mt, comprising of Measured 3.7Mt @ 59.6% Fe, Indicated 77.2Mt @ 60.3% Fe and Inferred 49.5Mt @ 59.8% Fe, making it the second largest DSO resource in the Midwest Iron Ore Province.

Golden West Resources also has a JORC Code compliant gold Resource comprising an Indicated 46,000t @ 3.5 g/t Au and Inferred 3,432,000t @ 2.3g/t Au.

Corporate Summary

ASX code: GWR
Issued Capital: 240.18 million
Issued Options: 24.6 million
Cash on hand: \$22.7 million

Board & Management

Gary Lyons

Non-executive Chairman

Mick Wilson

Executive Director

Tan Sri Dato' Tien Seng Law

Non-executive Director

Kong Leng (Jimmy) Lee

Non-executive Director

Datuk Chin An (CA) Lau

Non-executive Director

Mark Pitts

Company Secretary

Craig Ferrier

Chief Executive Officer

Enquiries

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Wiluna West Iron Ore Project

Mining Approvals Major Project

In April 2013, GWR received notification from the Office of the Environmental Protection Authority (“EPA”), of the Chairman’s determination, on the level of assessment required for the Wiluna West Iron Ore Project environmental referral.

The referral, lodged with the EPA in December 2012 under section 38(1) of the Environmental Protection Act 1986 (“EP Act”), concerned the plans to develop the Wiluna West iron ore mine at a rate of production of up to 10 million tonnes per annum with a mine life of approximately 15 years.

The EPA has advised that it considers the information provided by GWR, in its referral information, is adequate, and although it does potentially impact on the environmental factors identified, it does not warrant formal assessment under the EP Act. The EPA advised that any potential environmental impacts of the proposal can be adequately regulated and mitigated by other statutory decision-making processes in order to meet the EPA’s objectives and principles. The determination was subject to a 14 day appeals period, which closed without any objection lodged.

GWR has already received approval from the Western Australian Department of Mines and Petroleum for mining of the John William Douth (“JWD”) high grade deposit. The JWD mining proposal allows mining to commence at a rate of 1 million tonnes per annum for three years, and forms part of the larger Wiluna West Iron Ore Project.

The determination will permit development of the Wiluna West Iron Ore Project on the basis of large scale mining activity, subject to standard processes including, obtaining clearing permits under Part V of the EP Act and approval of mining proposals under the Mining Act 1978. As outlined above, GWR has already obtained clearing permits and approval under the Mining Act 1978 for mining to commence at the JWD deposit. During the quarter, GWR commenced work on the clearing permit for the C3, C4 and Bowerbird deposits.

Infrastructure

Geraldton

During the September quarter, substantial effort has been made in relation to securing access to infrastructure and export rights at the port of Geraldton. GWR has identified Geraldton as a viable option to support the commencement of mining activities at the JWD deposit. Opportunities to export iron ore in our own right and/or by way of arrangement with an existing producer are being assessed by the Company. Since January 2013, work has been progressing on various aspects of the supply chain from the Wiluna West site to Geraldton. This work has continued apace and has gained greater momentum with continued progress in relation to port access and greater stability in the outlook for iron ore prices. As described below this growing confidence has supported the Company advancing its planning activities including detailed mine planning.

Esperance

In January 2012, the Western Australian State Government announced its decision to increase the Esperance port capacity by up to 20 million tonnes per annum, in a staged expansion plan. The State Government announced in January 2013 that it had given the go-ahead for the next stage of developing a new iron ore export facility at the Port of Esperance.

Transport Minister Troy Buswell announced that the State Government has accepted an Esperance Port Authority (“EPSL”) board recommendation to start a procurement process to identify a private sector consortium to design, finance, construct and operate the planned Multi-User Iron Ore Facility (“MUIOF”).

The private sector were invited to participate in a Registration of Interest and Pre-qualification (“ROIP”) process. This followed a market sounding exercise conducted for the EPSL in 2012 which indicated that it may be commercially viable to develop a facility for an additional 10 to 12 million tonnes per year. Esperance Port currently has an operating licence to handle 11.5 million tonnes a year.

The market sounding exercise carried out by EPSL also confirmed previous industry studies that iron ore production in the Yilgarn region could significantly grow in the next 10-15 years.

Two of five consortia that registered an interest in participating in a Request for Proposal (RFP), were short-listed and during the September quarter were invited to tender for the project. The two consortia are:

- Qube Bulk Pty Ltd and Brookfield Infrastructure (Australia) Pty Ltd, and
- Yilgarn Esperance Solution (YES) consortium. YES consortium comprises McConnell Dowell Constructors (Aust) Pty Ltd, Asciano and Marubeni Corporation Ltd.

The short-listed consortia have significant experience in infrastructure investment as well as designing, financing and operating major projects related to the movement and handling of large volumes of bulk products. EPSL believe that a key feature of the MUJOF is that it will be designed and developed by the private sector. Accordingly, the scope and capital costs of the project will be identified by the private sector, based on its view of the level of commercially sustainable demand for iron ore export capacity through the Port.

In July 2012, GWR and EPSL entered into a Capacity Reservation Deed concerning the reservation of capacity in relation to facilities to be constructed as part of the proposed increase in export capacity at the Port of Esperance (“New Facilities”). The arrangements reserve capacity for GWR to export 3 million tonnes per annum utilising the New Facilities. GWR’s right to access the Port or utilise any reserved capacity is dependent on the Company entering into a New Facilities Agreement on terms that are acceptable to the respective parties (including a future operator of the proposed New Facilities).

GWR previously commissioned engineering firm, AECOM to develop a GWR-specific supply chain model customised to include transportation of ore from the Wiluna West mine site to potential rail hub(s) between Leonora and Menzies. This work is being used to further define the project development options and assist in current and future commercial discussions.

During the quarter the Company has continued discussions with interested parties in the planned increase of Esperance Port capacity.

JWD Development

Resource Update

As previously reported, in April 2013 GWR completed a resource update for the high grade DSO hematite JWD deposit located at the Wiluna West Iron Ore Project.

The total Mineral Resource estimate for the JWD deposit is 10.7 million tonnes at 63.7% Fe, above a cut off of 55% Fe. The nominal drill spacing is now 50m by 20m (previously 100m by 40m). The Company announced the resource update, which was completed by independent consultants, Optiro, in April 2013, as summarised on the following page.

JWD Mineral Resource

Reported above a 55% cut-off

Classification	Tonnes (Mt)	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Measured	6.4	64.1	2.6	1.5	0.03	3.1
Indicated	0.9	63.6	2.8	1.3	0.03	3.6
Inferred	3.4	63.1	3.2	1.6	0.03	3.4
Total	10.7	63.7	2.8	1.5	0.03	3.2

Note: The Resource Statement for the JWD Mineral Resource has been prepared in accordance with the 2004 edition of the JORC Code.

Competent Person's Statement

The information in this Public Report that relates to JWD Mineral Resources is based on, and accurately reflects, information compiled by Mr. Paul Blackney of Optiro Pty Ltd, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Blackney has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources.

The increase in drill density for the current estimate has resulted in an increase in resource confidence, hence the resource is now classified dominantly as Measured, with some Indicated and Inferred, compared with the Indicated and Inferred classification of the previous estimate.

Mining Study

Following completion of the JWD resource update and to support the Company's strategy of commencing operations via the export of approximately 1mtpa of high grade iron ore through the port of Geraldton, GWR has commissioned mining consultants Optiro to support mine planning activities. Work to be undertaken includes; defining the preferred mining method for agreed volume, grade and productivity standards, equipment sizing and selection, definition of mining costs and the provision of a detailed production schedule. This work is progressing and is scheduled to be completed during the December quarter.

Wiluna West Gold Project

A comprehensive study of the Wiluna West Gold Project was advanced during the quarter, focusing on the Golden Monarch and Iron King deposits. This work includes resource modelling and pit optimisation studies. GWR is actively pursuing options for treatment of ore from its Wiluna West Gold Project.

Earaheedy Iron & Manganese Project

GWR continues to look for opportunities within the Earraheedy Basin, located approximately 200km northeast of Wiluna. This basin is considered highly prospective for both iron and manganese deposits. Following signing off the Lee Steere farm-in agreement (E69/2126 and E69/2377), GWR has now acquired a total area of 1,527km².

Previous exploration, mostly in the 1970s, identified significant hematite-goethite mineralisation associated with the Frere Formation that is evident on air magnetics (Figure 2). Based upon aerial magnetic data interpretation and geological mapping undertaken by the Geological Survey of WA, the GWR tenements and applications are estimated to contain approximately 45km of prospective strike. The tenements comprising the Lee Steere farm-in agreement with Dragon Energy are interpreted to contain approximately 38km of prospective strike. Collectively prospective strike is now a total of 83km.

Exploration undertaken during the quarter has included the processing of the detailed air magnetics flown earlier in the year and geological mapping upon E69/3022.

The geological mapping upon E69/3022 targeted a magnetic anomaly interpreted to be the prospective Frere Formation. Most of the area is soil covered however minor outcropping Frere Formation was identified in one location.

Woodley Iron Project

Detailed geological mapping was completed at Targets 2 and 3 where significant DSO hematite mineralisation was intersected in RC drilling completed in 2012. A follow up 1200m RC drilling program is planned for the coming quarter.

Investment in West Peak Iron

GWR holds 19.9% interest in ASX listed company West Peak Iron Limited (WPI). Mr Gary Lyons and Jimmy Lee, directors of GWR, have been appointed to the board of WPI.

WPI have been focusing on the Bomi South Project which is located 60km from the port of Monrovia in close proximity to existing railroads, where 7 targets have been identified based upon a detailed aerial magnetic survey completed in 2012. In March 2013, WPI undertook RC drilling at Targets 4 and 6 which intersected true widths of up to 40m of friable itabirite (refer to West Peak Iron June 2013 Quarterly Report).

Field work is currently being undertaken on Targets 2, 3 and 7 which includes geological mapping, and geochemical sampling, including pitting and auger sampling.

Field work is also being undertaken at Bobo Creek which includes geological mapping, and geochemical sampling, including pitting and auger sampling.

Project Generation

As previously announced, the Company is now actively seeking other iron ore and bulk commodity opportunities within Western Australia and elsewhere. The Company has recently reviewed a number of opportunities within Australia and Africa.

Corporate

Cash position

GWR remains well funded with cash reserves of \$22.7 million and no debt. In addition, the Company has cash backed security deposits amounting to \$1.1 million.

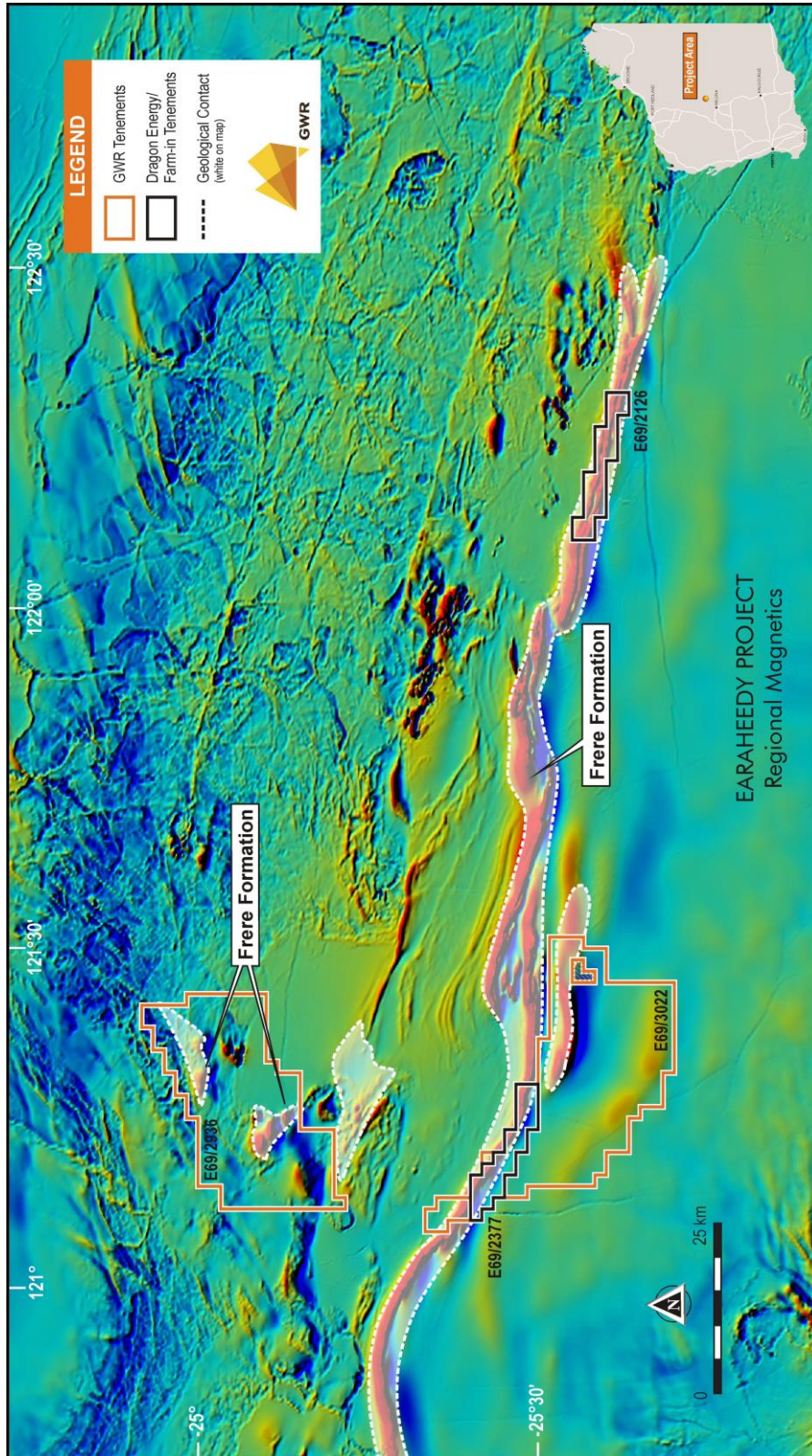
Competent Person's Statement

The information in this report which relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Brian Vardell, who is a Fellow of the Australasian Institute of Mining & Metallurgy ("AusIMM") and independent consultant to the Company. Mr Vardell is a consultant of Al Maynard & Associates Pty Ltd and has 40 years of experience in exploration and mining in a variety of mineral deposit styles. Mr Vardell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Vardell consents to inclusion in the report of the matters based on his information in the form and context in which it appears.

Figure 1: GWR Project Location Map



Figure 2: Earraheedy Area Regional Magnetics



Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Golden West Resources Limited

ABN

54 102 622 051

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

		Current quarter (3 month's) \$A'000	Year to date (3 month's) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(1,174)	(1,174)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(380)	(380)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	282	282
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes received (GST paid)	-	-
1.7	Other (provide details if material)	13	13
Net Operating Cash Flows		(1,259)	(1,259)
Cash flows related to investing activities			
1.8	Payment for: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(1)	(1)
1.9	Proceeds from: (a) prospects	80	80
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (Environmental bonds & security deposits)	(8)	(8)
Net investing cash flows		71	71
1.13	Total operating and investing cash flows (carried forward)	(1,188)	(1,188)

1.13	Total operating and investing cash flows (brought forward)	(1,188)	(1,188)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs – refer note 6)	(425)	(425)
	Net financing cash flows	(425)	(425)
	Net increase (decrease) in cash held	(1,613)	(1,613)
1.20	Cash at beginning of quarter/year to date	24,361	24,361
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	22,748	22,748

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	216
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Payment of fees, salaries and superannuation to the directors of the Company during the quarter.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	913
4.2 Development	-
4.3 Production	-
4.4 Administration	659
Total	1,572

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Curent quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	1,240	2,080
5.2	Deposits at call	21,508	22,281
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		22,748	24,361

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	E57/799	Surrendered	100%	Nil
	M57/619	Sold	100%	Nil
	E53/1491	Surrendered	100%	Nil
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	240,178,059	240,178,059		
7.4	Changes during quarter (a) Increases through issues: (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	21,500,000		Exercise price \$0.575 [^]	Expiry date 22 Nov 2015
		700,000		\$0.575 [^]	4 Jan 2016
		1,400,000		\$0.575 [^]	22 Feb 2016
		1,000,000		\$0.575 [^]	22 Mar 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

[^] The change of option's exercise price is pursuant to Section 6.22 of the ASX Listing Rules.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date:

31 October 2013

Print name: Mr Craig Ferrier
CEO

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.
- 6 Capital raising costs of \$425k represent underwriting fees and costs associated with the entitlements issue concluded in the previous quarter resulting in gross proceeds of \$7.2m.

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