

Golden West Resources Limited

ABN 54 102 622 051



Golden West
RESOURCES LIMITED

Annual General Meeting

**The Golden Ballroom North
Sheraton Perth Hotel**

29 November 2007



Topics



- Appointment of Geoff Wedlock as Chairman
- Wiluna West Project – 2008 Work Program
- Capital Raising – Placement and Rights Issue
- Takeover Bid – Offer from Fairstar



Appointment of Geoff Wedlock



- Experienced and respected iron ore executive
 - Former Managing Director of Grange Resources
 - Former Managing Director and CEO of Portman Mining
 - Former CEO and Executive Vice President of BHP Iron Ore
- Extensive global network and strong customer and supplier relationships
- Focus on building the management team necessary to progress Wiluna West to production



Wiluna West – 2008 Work Program



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- Continue aggressive exploration and resource drilling program
- Commence Pre-Feasibility Study in January 2008
- Commence Bankable Feasibility Study in 3Q 2008
- Complete Mining Lease application
- Extend Environmental and Heritage Studies to encompass entire permit area
- Anticipated to cost \$25 to \$30 million



Placement and Rights Issue



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- To fund exploration and development activities
- Capital Investment Partners appointed as Lead Manager
- Placement of up to 14.466 m shares to institutional and sophisticated professional investors at 80% of market price
- Improve liquidity and provide support for future funding
- 1 for 15 rights issue to current shareholders at same price as placement
- Allows shareholders to participate in the continued growth of Golden West



Fairstar Offer – Overview



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- 5 Fairstar shares for each Golden West share
- 50% minimum acceptance condition
- Offer due to close 13 December 2007 (unless extended)
- Independent Directors recommend that shareholders **REJECT** the offer
- PricewaterhouseCoopers, the Independent Expert, concluded the offer is **neither FAIR nor REASONABLE**
- Written commitments to reject the offer received from shareholders representing 27.85% of the company



Fairstar Offer – Reasons for REJECT Recommendation



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- Undervalues Golden West and dilutes shareholders' interest in the Wiluna West Project
- Does not offer access to any other substantial assets or an increased capability within the combined company
- Fails to deliver meaningful cost synergies
- Triggers substantial costs that could otherwise be applied to fast track development of the Wiluna West Project
- Likely to trigger capital gains tax for accepting shareholders



Fairstar Offer – Independent Expert's Report



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- Concluded the offer is **neither FAIR nor REASONABLE**
- Determined a midpoint valuation for Golden West of \$2.92 with a range of \$2.50 to \$3.35
- Determined a midpoint valuation for the Fairstar offer of \$2.43 with a range of \$2.25 to \$2.60
- Limited prospects of a market re-rating of Golden West
- Dilutes shareholders interest in Wiluna West by 30% to 42%
- Transaction costs will erode cash and lead to further dilution



Summary



- 2008 set to be a landmark year for Golden West
- Golden West is putting in place the team and funding required to take development of the Wiluna West Project to the next level
- We urge shareholders to **REJECT** the Fairstar offer and maintain full ownership of the rapidly developing Wiluna West Project
- Golden West will shortly release an updated Investor Presentation on its website – www.goldenwestresources.com



Contact Us



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