

ASX/Media release

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TAKEOVERS PANEL REBUTTS GOLDEN WEST APPLICATION

Declines to commence proceedings against Fairstar

Fairstar Resources Limited (ASX: FAS) (Fairstar, the Company) advises that the Takeovers Panel has declined to commence proceedings against Fairstar in relation to an application brought by Golden West Resources pertaining to Fairstar's takeover bid for Golden West.

The Application by Golden West related to alleged deficiencies in disclosure in Fairstar's bidder's statements in relation to Fairstar's off-market all-scrip Offer for Golden West.

Specifically, Golden West submitted that the bidder's statements contained deficiencies in relation to the disclosure of:

- The likelihood of Western Australian stamp duty being payable. **The panel considered this was sufficiently clearly addressed;**
- The likelihood of capital gains tax roll-over relief being available to GWR shareholders accepting the Fairstar Offer. **The panel considered this was sufficiently clearly addressed;**
- The underwriting in relation to a placement to fund transaction costs from the Fairstar Offer. **The panel considered this was not required disclosure;** and
- The identity of professional advisers to whom fees disclosed in the supplementary bidder's statement were payable. **The panel considered this was not required disclosure.**

Fairstar managing director Mr Kevin Robertson said he welcomed the Panel's decision and that it underlined Fairstar's commitment to pursue its takeover Offer for Golden West in an open and transparent manner.

"We have at all times attempted to work in a co-operative environment with the Target and have made every effort to address issues raised by them in respect of our bidder's statement and other issues," Mr Robertson said.

"The decision of the Takeover's Panel vindicates the way Fairstar has approached our takeover bid."

Golden West's application to The Panel was initially lodged on October 30 this year and was revised on November 19.

The Panel noted that a number of the issues raised in the original application had been addressed in Fairstar's second supplementary bidder's statement (either fully or partially).

Golden West also submitted that the dispatch of a replacement bidder's statement and a second supplementary bidder's statement contemporaneously to GWR shareholders may mislead and confuse GWR shareholders, and that any additional disclosures should have been merged into a single document. The panel considered that the supplementary information was **easily transposed** into the replacement bidder's statement, and further documents to shareholders now would not necessarily assist them in their task.

The Panel decided that there was no reasonable prospect that it would make a declaration of unacceptable circumstances if it commenced proceedings. Accordingly it declined to commence proceedings.

ENDS

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