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ASX RELEASE

Fairstar to take up its rights under GWR's rights issue

On 11 December 2007 Fairstar Resources Limited (**Fairstar**) revised its offer for Golden West Resources Limited (**GWR**) shares to **seven** Fairstar shares for every **one** GWR share and declared its offer free from conditions.

Fairstar currently has a relevant interest in 26.904% of GWR's company share capital and is the single largest shareholder of GWR. Following GWR's announcement of a 1 for 15 rights issue on 11 December 2007, Fairstar wishes to advise that it intends:

(a) to take up its full entitlement under the rights issue (in relation to those GWR shares of which it is the registered holder on the record date); and

(b) in respect of GWR shares for which it has received acceptances of its takeover offer, but is not the registered holder on the record date, to rely on the terms of the offer to acquire the rights entitlements attaching to those shares.

Fairstar has also advised GWR that it is willing to underwrite any shortfall under the rights issue **for no fee or commission** and has secured funding to cover the costs of that underwriting.

Fairstar remains totally committed to the success of its takeover bid for GWR.

Kevin J Robertson

Managing Director