

ABN 38 115 157 689  
Suite 1, 40 Cedric Street,  
Stirling WA 6021  
PO Box 1520 Osborne Park WA 6916  
Ph: 08 9207 2433  
Fax: 08 9207 2464  
Email: [admin@fairstarresources.com](mailto:admin@fairstarresources.com)

Wednesday, February 07, 2007

Company Announcements Officer  
Australian Stock Exchange Limited  
2 The Esplanade  
Perth WA 6000

Dear Sir

**Spinifex Well Project – The Golden Dingo Main Project**

Please find attached an announcement with regard to Spinifex Well project.

**Yours faithfully**



**Kenneth M Allen**  
**Company Secretary**

Further enquires can be directed to

Kevin Robertson  
Managing Director

Nigel Maund  
Director - Technical

## ASX RELEASE

### THE GOLDEN DINGO MAIN PROSPECT

#### Spinifex Well Gold Project

#### HIGHLIGHTS

- *Strongly anomalous gold in gossanous quartz vein float developed within a shear hosted vein system over an apparent strike of 5km and width of up to 400m;*
- *Float rock chip samples up to 101 g/t Au with many values  $\geq 10.00$  g/t Au suggestive a substantial shear vein array system;*
- *The prospect has been inadequately tested by previous RAB drilling and has never been RC drilled;*
- *Therefore the possibility remains for FAIRSTAR to define a substantial bedrock gold resource in this area.*

#### Prospect Briefing

This brief ASX Release is intended to bring to light data FAIRSTAR has acquired following successful flotation of the Company on the 30<sup>th</sup> October 2006. The Spinifex Well district was quite extensively explored in the latter part of the 1980's and early part of the 1990's. This work included:

- regional scale and prospect scale geologic mapping;
- float rock chip geochemistry;
- soil sampling;
- limited trenching;
- an intensive but very shallow RAB drilling of two of the major gold exploration prospects; and,
- a small RAB program conducted over the main project area.

The location of the gold prospects identified by this work is given with an enhanced image of the aeromagnetic data on Figure 1. Of these, the "Golden Dingo – Main prospect" was considered the most promising. Some salient features of this prospect are presented as Figure 2, where the results of float rock sampling are shown. Given the large number of highly anomalous gold samples with values greater than 30g/t, it would come as no surprise that visible gold was commonly observed in these rocks. However, the granodiorites and granites that are often the host rocks to the gold bearing sulphide – quartz veins and veinlets contain an unusual amount of accessory magnetite. Hence, metal detection was not effective in this area. Furthermore, an orientation study undertaken quite early during the exploration concluded that soil sampling was also ineffective as an exploration tool.

The Golden Dingo prospect effectively comprises a zone of gossanous quartz vein float scattered over a zone measuring some 5km along the apparent strike and over a zone some 400m wide. The strike of this float, shown on Figure 2, is WNW at around 280<sup>0</sup> to 290<sup>0</sup> magnetic. The dip of the shear zone is unknown but probably steep.

A very limited amount of trenching was conducted by previous explorers prior to undertaking drilling. Drilling comprised two episodes, as follows:

- A program of 800 shallow vertical RAB holes drilled to a depth of 5m at Golden Dingo – main zone; and,
- A program of 3, 578m of angled RAB drilling comprising 102 holes in 4 fences drilled at 200m and 400m intervals along the geologic strike to blade refusal.

The RAB holes were sampled as 5m composite grabs and assayed at Sheen Analytical Laboratories in Perth, Western Australia, by AAS with carbon rod finish on a 30gm charge. Five RAB holes returned anomalous intersections ranging from 107 ppb to 511 ppb over 5m only.

The source of the high grade gossanous quartz vein float was never detected in drilling. It is possible that open hole RAB drilling would not have been able to recover abundant coarse gold apparent in the float samples. Furthermore, the wide drill spacing would not be conducive to the discovery of a shear hosted vein quartz array system.

### PROPOSED WORK PROGRAM

- Fairstar has commissioned Digital Mapping Australia Pty Limited to fly the entire Spinifex Well project area with its advanced, high resolution, digital photography during February 2007, This photography can resolve objects at surface down to 20cms, and will enable FAIRSTAR to undertake precisely controlled exploration of the Spinifex Well gold prospect areas down to 1:500 scale as required;
- The Golden Dingo – Main prospect will be check sampled and re – mapped at 1:1,000 or even 1:500 scale as required;
- A program of trenching is under consideration to assist in defining the basement location of the quartz veining and its essential structural featured and geometry;
- A program of 2,000m of scout RC drilling will be undertaken to downhole depths of 75m to 100m to test the main target area following completion of the above work.

*The information in this report that relates to Exploration Results is based on information compiled by Mr. Nigel Maund, who is a Member of the Australian Institution of Mining and Metallurgy, UK Institution of Mining Metallurgy and Materials and Society of Economic Geologists. Mr. Maund is an Executive Director of Fairstar Resources Limited and has sufficient experience relevant to the style and mineralization and deposit type under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Nigel Maund consents to the inclusion of this report of the matters based on his information in the form and context in which it appears.*



6880000 mN

**"VERY HIGH STRAIN"**  
Spinifex West  
Shear Zone

**BUNDARRA BATHOLITH**  
Displaying rectilinear  
shatter fracture pattern

**"HIGH STRAIN"**  
Spinifex East  
Shear Zone

6870000 mN

Fairstar  
Application  
E37/894

**POSSIBLE  
BRECCIA  
PIPE TARGET  
(green)**

6860000 mN

Central  
Zone

Jims  
Zone

Hoppity's  
Zone

6850000 mN

Golden Dingo  
& Main  
Zones

Henderson's  
Nth & Sth  
Zones

6840000 mN

Fritz's  
Zone

Amanda's  
Zone

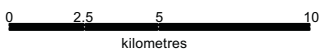
**REVERSE  
POLARIZED  
MAGNETIC  
ANOMALIES  
(blue)**

6830000 mN

Hematite  
Nth & Sth  
Zones



**Gold Exploration  
Zones**



**Spinifex Well Project**

Figure 1

Regional Setting - Terraced Total Magnetic Intensity

6820000 mN

330000 mE

340000 mE

350000 mE

360000 mE

