

**ASX/Media Release**  
January 25, 2008

- **FAIRSTAR REFUTES GWR'S CONCERNS OVER FUNDING ARRANGEMENTS**
- **FAIRSTAR TAKES UP FULL ENTITLEMENT UNDER RIGHTS ISSUE**

Fairstar Resources Limited (**Fairstar**) notes the announcement by Golden West Resources Limited (**GWR**) on 24 January 2008 regarding supposed concerns that GWR has over Fairstar's funding arrangements.

That announcement contains a number of statements which GWR knows or ought, through information provided to GWR's legal advisers, to know to be false and misleading. Specifically, Fairstar wishes to correct the misleading impression created by GWR's announcement that the underwriting commitment of Findlay & Co (Stockbrokers) Underwriters Pty Ltd, which Fairstar announced to the market on 13 November 2007, has been terminated or that the first tranche of that underwriting is in jeopardy by virtue of the recent fall in the S&P/ASX 200 Index.

Fairstar reaffirms that the Findlays underwriting agreement remains on foot and regrets any confusion caused to the market as a result of GWR's announcement.

Fairstar also wishes to advise that it has taken up its full entitlement of 1,381,094 GWR shares under GWR's current 1-for-15 rights issue and has tendered the application monies for those shares in full.

Kevin J Robertson  
Managing Director  
Fairstar Resources Limited