

ASX Release
11 February 2008

FAIRSTAR CONFIRMS COMMITMENT TO UNDERWRITING AGREEMENT

Fairstar Resources Limited (Fairstar, the Company) (ASX: FAS) wishes to reiterate its commitment to an underwriting agreement between the Company and its corporate advisers, Findlay & Co Stockbrokers (Underwriters) Pty Ltd, and to clarify recent inaccurate media reporting on the matter.

It has recently been reported in the press that the status of the underwriting agreement was unclear. This despite the fact that Fairstar has previously confirmed its position in relation to the underwriting agreement via ASX announcements on January 25 and January 31.

In its ASX announcement of 31 January 2008, Fairstar noted that in its view Findlays' obligation in respect of the first tranche of the underwriting (\$10.5m) crystallised on the date Fairstar's takeover bid for GWR went unconditional (this being 11 December 2007).

Fairstar remains of that view but notes that the quantum of damages ultimately recoverable in respect of any breach of that obligation would depend on what view a court took of the amount Findlays could reasonably have been expected to raise prior to its termination rights under the underwriting agreement arising – assuming it were minded to exercise those rights.

Fairstar wishes to reiterate, however, that **both parties remain committed to the underwriting agreement and the agreement remains in place.**

Fairstar expresses concern that despite its previous confirmations, sections of the media have reported that the status of the agreement was unclear. Fairstar regrets any confusion this may have caused to shareholders.

Fairstar would also like to distance itself from comments made in an article in *The Weekend Australian*, of February 2-3 regarding a meeting 'understood' to have taken place between Golden West director Mr Con Markopoulos, representatives of Dubai-based investment group Falak Holding LLC, and a Mr Matt Tomas, who the article states is a business partner of Mr Dominic (Mick) Gatto.

Mr Markopoulos is a director of Golden West, not Fairstar, and as such any meeting he may have attended is of absolutely no relevance to Fairstar. Fairstar would like to state categorically that it had absolutely no involvement in the meeting in question and has no relationship with any of the reported attendees at that meeting.

Fairstar's offer for GWR is **seven Fairstar shares for every one GWR share, and the Offer remains open until February 13.**

GWR shareholders are urged to accept Fairstar's Offer.

If GWR shareholders have any questions on how to accept Fairstar's offer, they should contact the Fairstar Shareholder Information Line on 1800 895 933 (within Australia) or +61 2 8256 3373 (outside Australia), or their stockbroker or financial adviser.

ENDS

For further information please contact

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