

ASX Announcement

Successful Completion of JWD Sinter Test-work

Golden West Resources Limited (ASX Code: GWR) is pleased to announce that it has completed the metallurgical sinter pot test-work program on its JWD normal fines and coarse fines products from the Wiluna West Iron Ore Project.

This program, in conjunction with the lump metallurgical program that was completed and reported in October 2012, now concludes the metallurgical test-work required to demonstrate that the ore to be mined from the John William Douth (**JWD**) deposit at Wiluna West will be a product highly sought after by steel mills.

The JWD lump metallurgical test-work was carried out at the CSIRO laboratories in Brisbane. The test-work confirmed the lump ore to be physically competent with high metallurgical properties, qualities highly valued by North Asian steel mills. The high desirability of using JWD lump was confirmed by feedback obtained from a customer engagement program in late 2012 to steel mills in North East Asia.

Typical Chemical Analysis (%) – JWD Lump						
Fe	SiO ₂	Al ₂ O ₃	P	S	LOI	CaFe
63.5	3.7	1.6	0.02	0.01	3.4	65.7

The sintering performance of two JWD iron ore fines products (normal fines and coarse fines) was carried out at CISRI's Beijing research facilities.

Typical Chemical Analysis (%) – JWD Fines (-6.3mm)						
Fe	SiO ₂	Al ₂ O ₃	P	S	LOI	CaFe
61.0	5.8	2.9	0.03	0.01	2.7	62.7

Typical Chemical Analysis (%) – JWD Coarse Fines (-10.0mm)						
Fe	SiO ₂	Al ₂ O ₃	P	S	LOI	CaFe
62.6	4.5	2.0	0.03	0.01	2.7	64.3

A total of nine sintering blends were tested using the substitution method. The blends tested represent the typical iron ore blends expected to be used in sintering in the Chinese steel mills market segment. The CISRI sinter pot test-work results show that the proposed GWR iron ore fines products perform in the sintering process at a level equivalent to or better than (eg productivity, fuel rate) the high volume, seaborne-traded, iron ore fines products currently exported from the Pilbara region.

The resultant sinter product metallurgical test-work (*Reducibility Index (RI)*, *Reduction Degradation Index (RDI)*, *Decrepitation Index (DI)* and *Softening & Melting (S value)*), indicates that the two GWR fines products produce sinter suitable for blast furnace usage and in the case of the S value, a sinter that has improved melting properties.

The positive metallurgical test-work results indicate that GWR's lump and iron ore fines products will be viewed by the steel mills as value adding.

This test-work now enables three scenarios for the production and marketing of GWR products:

1. Two products to market – lump ore* (-40mm/+6.3mm) and iron ore fines (-6.3mm)
2. One product to market – coarse iron ore fines (-10mm)
3. One product to market – lump ore (-40mm) (inclusive of undersize fraction below -6.3mm)

** For lump production, a -40mm top size cut off was selected to maximise lump yield and still produce a lump top size suitable for direct charging into blast furnaces.*

The next phase of the process optimisation is to establish which scenario maximises the financial returns to GWR, having regard for selling price outcomes, processing costs and logistics and inventory holding costs. This activity is being undertaken in conjunction with processes around port access and logistics.

Craig Ferrier
Chief Executive Officer
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