



GOLDEN WEST RESOURCES LIMITED
(ABN 54 102 622 051)

INTERIM FINANCIAL REPORT
31 DECEMBER 2007



GOLDEN WEST RESOURCES LIMITED

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GOLDEN WEST RESOURCES LIMITED

REVIEW OF OPERATIONS

Review of Operations

During the half year to December 31st 2007 the Company's focus was on the Wiluna West iron project, where it increased the JORC resource by 72%, commenced metallurgical testwork, applied for mining leases and prepared a high level project timeline.

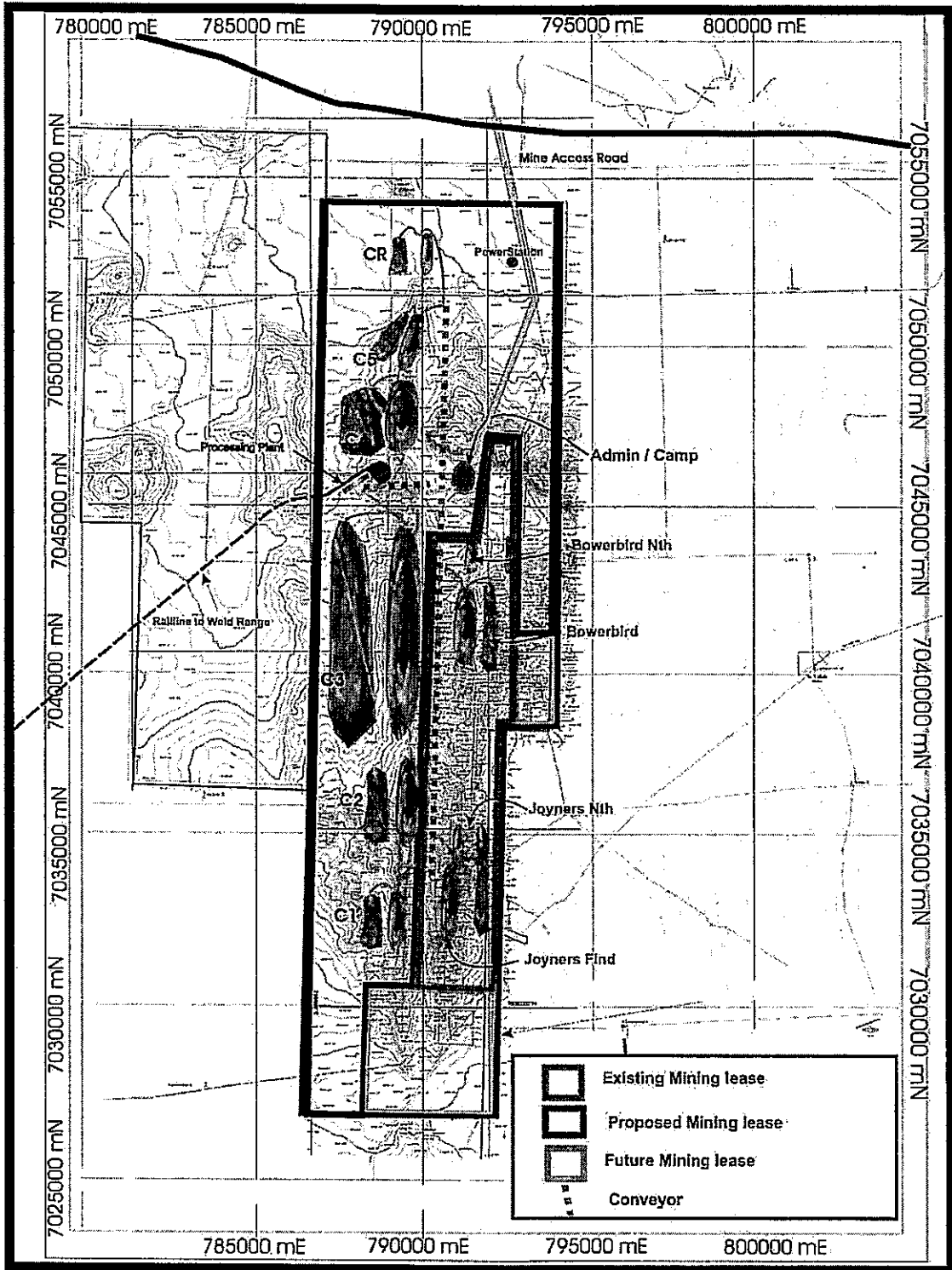
A high level project timeline has been developed to define the tasks and resources necessary to achieve a 10 million tonne per annum production project by mid 2011. The key aspects being initiated include a prefeasibility study to define the sustained economic parameters required for the future feasibility study and a programme to expand the environmental studies to encompass the whole north area of the project.

Key project objectives for 2007-2008 are:

- Complete bulk sample mining on Bower Bird and the C4 deposit;
- Finalise the Oakajee and/or Esperance Port alternatives;
- Complete a prefeasibility study, which will commence upon reaching an inferred resource in excess of 100Mt;
- Complete all heritage and environmental studies for the north project area;
- Lodge a Mining Proposal with the Department of Industry and Resources (DOIR);
- Commence feasibility study; and
- Upgrade resource base and JORC-compliant categories.



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Conceptual Mine Plan



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A strategic plan has been developed and this plan looks at all facets of the project and places 12 key areas into the high level time line:

Geology	Resource and reserve definition linked to financial modeling
Metallurgy	Quality, marketability of ore and plant design
Mining	Mining design, production schedules and infrastructure
Site Infrastructure	Design procure and construct
Environment	Studies and approvals required
Power Station	Size design and procurement
Regional Infrastructure	Feasibility design, timing and construction
Manning Strategy	Key appointments and timing
Financial Modeling	Timing and creation of bankable model
Marketing	Product identification, market research and contract acquisition
Funding	Timing and methods of funding major aspects of project
Stakeholders	Liaison with local community and government

JORC Resource

The Interim Inferred Iron Mineral Resource was increased to 86.3Mt @ 60.1% Fe, representing a 72% increase on the previous interim resource.

Table 1: Global Inferred Mineral Resource

DEPOSIT	UNIT	TYPE	TONNES (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Bowerbird	B	Block	9.5	59.8	7.7	3.5	0.06	2.7
Bowerbird North	B	Sectional	2.0	61.5	5.3	3.2	0.04	2.1
Joyners Find	B	Block	7.8	64.6	3.1	1.9	0.02	2.0
Joyners North	B	Sectional	3.6	63.1	4.8	2.5	0.03	2.1
C1	C	Block	4.2	58.5	7.2	3.3	0.09	5.2
C2	C	Block	3.4	60.1	6.0	2.1	0.03	6.0
C3	C	Block	23.3	59.1	8.6	2.1	0.07	4.4
C4	C	Block	24.1	59.6	9.2	2.5	0.03	2.7
C5	C	Block	4.4	59.1	8.9	2.1	0.12	3.8
CR	C	Block	4.0	60.6	9.3	1.4	0.03	1.7
Total			86.3	60.1	7.8	2.4	0.05	3.3

Note: All resources reported using a 50% Fe cut-off
 Block model resource estimated by Snowden
 Sectional resources estimated by Golden West

The current plan is to continue with an aggressive resource definition drilling program until a resource of 120 to 150Mt is delineated. At this point feasibility studies will commence as financial modeling suggests that the project will be of sufficient magnitude.

Metallurgical Testwork

A metallurgical testing program using diamond drill core commenced in November 2007. By the end of the year four holes had been completed for a combined total of 306.6m. The purpose of the drilling is to provide material for metallurgical testwork and geotechnical data for mine



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planning. No results have as yet been received; this program is ongoing and will continue this year.

Mining Leases

Exploration licences 53/1114 and 53/1173 are in the process of being converted into a mining lease in their entirety. This combined with the existing granted mining leases will encompass 13,500ha in area, it is believed the potential for a 100 to 150Mt resource base is contained within these mining lease applications.

Offsite Infrastructure

Two transport options are being considered one south to the Esperance port and the other west to the proposed Oakajee port. Table 2 summarises the distance and amount of rail that will have to be built by GWR and 3rd party groups. In the case of Esperance, the Leonora to Esperance portion would require an upgrade by a 3rd party group.

Table 2 Transport Options

Port	GWR (km)	3 rd Party (km)	Total (km)
Esperance	260	670	930
Oakajee	235	460	695

At this present moment the Oakajee option appears to be the most attractive port option if the proposed project goes ahead.

Longrun Transport Developments Pty Ltd has been engaged to complete a study to evaluate the alternative infrastructure options and costs for linking the Wiluna West Project to the proposed Midwest regional rail system to Oakajee Port. The Wiluna West Project is 700 kilometres from the proposed Oakajee port (25 kilometres north of Geraldton).

The plans will initially involve transporting at least 10 million tonnes of iron ore per annum through the Oakajee port. Railway infrastructure plans include railway construction from Wiluna West to south of Meekatharra at Weld Range for approximately 250 kilometres, then joining the proposed Midwest regional planned infrastructure.

An infrastructure planning report for Wiluna to Esperance has been completed by Longrun with cost estimates. The report is being revised and updated as project details are refined. The report will also progress the preparation of a comprehensive feasibility study.

Costs of transport for Wiluna to Oakajee are expected to be significantly less than the Esperance option. The Oakajee port planning has been less detailed and is dependant on Government approvals and on port and rail infrastructure being constructed by third parties. The Company is in discussion with the proponents in the Midwest Region for the proposed rail and port facilities to Oakajee.

Bulk Sample

The Company will be seeking statutory approvals to mine a bulk sample of up to one million tonnes to be taken from the Bowerbird and C4 deposits. A draft proposal has been completed and once the actual program for the processing of the bulk sample has been decided it will be submitted.



GOLDEN WEST RESOURCES LIMITED

Corporate

On 4 September 2007 Fairstar Resources Limited announced a scrip takeover bid for the Company on the basis of 5 Fairstar Resources Limited shares for every 1 share in the Company. On 11 December 2007 Fairstar Resources Limited announced an increase in the offer price to 7 Fairstar Resources Limited shares for each share in the Company and declared the takeover offer unconditional. As at the end of the half-year Fairstar Resources Limited had voting power of approximately 25.8% in the Company and as at the dated of this report has voting power of approximately 32.4%.

On 3 December 2007 the Company completed a placement of approximately 14.477 million shares at a price of \$1.85 per share to raise \$26.78 million. On 11 December 2007 the Company announced a non-renounceable pro-rata rights issue on the basis of one share for every 15 shares held at an issue price of \$1.85 per share. Subsequent to the end of the half-year approximately 3.613 million shares were issued pursuant to the rights issue to raise \$6.68 million.

A list of the Company's top 20 shareholders and shareholder spread is attached to this report.



GOLDEN WEST RESOURCES LIMITED

DIRECTORS' REPORT

Your Directors submit their financial report on the consolidated entity of Golden West Resources Limited and its controlled entities ("the Company") for the half-year ended 31 December 2007.

DIRECTORS

The following persons were Directors of the Company during the half-year and up to the date of this report. Directors were in office for this entire period unless otherwise stated.

Constantino Markopoulos (appointed interim Chairman 15 February 2008)
Michael Reginald Wilson
Alan Paul Rudd
Patric William Gallagher (resigned 21 September 2007)
John Leonard Daniels (Chairman – resigned 29 November 2007)
Gary Wayne Hutchinson (resigned 15 February 2008)
Peter Wayne Thompson (resigned 15 February 2008)
David Grant Sanders (appointed 20 March 2008, retired 21 March 2008)
John Hugh Lester (appointed 4 March 2008)

REVIEW OF OPERATIONS

A Review of Operations for the half-year and up to the date of this report is included in this document and should be read as part of the Directors' Report.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 20 for the half-year ended 31 December 2007.

This report is signed in accordance with a resolution of the Directors.

.....
Constantino Markopoulos
Director

Dated at Perth this 14th day of March



GOLDEN WEST RESOURCES LIMITED

**INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

		Consolidated	
	Note	December 2007 \$	December 2006 \$
Revenue – Interest income		101,135	151,461
Administration costs		(431,774)	(205,515)
Borrowing costs		(187)	(8,953)
Consulting fees		(526,038)	(16,366)
Corporate costs		(241,096)	(80,387)
Depreciation		(145,911)	(72,609)
Employee costs		(571,637)	(585,918)
Exploration expenditure written off		–	(5,875)
Fines		(71,600)	–
Legal costs		(8,744)	(49,929)
Occupancy costs		(52,926)	(11,980)
Other expenses		(84,313)	–
Share based payments		(3,532,050)	–
Takeover expenses		(926,573)	–
Loss before income tax		(6,491,714)	(886,071)
Income tax		–	–
Loss after income tax		(6,491,714)	(886,071)
Loss attributable to members of Golden West Resources Limited		(6,491,714)	(886,071)
Basic loss per share (cents per share)	2	(8.61)	(1.52)

The above income statement should be read in conjunction with the accompanying condensed notes.



GOLDEN WEST RESOURCES LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2007**

		Consolidated	
	Note	December 2007	June 2007
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	27,866,634	7,297,730
Trade and other receivables		451,159	480,030
Other		18,579	13,882
Total Current Assets		28,336,372	7,791,642
NON CURRENT ASSETS			
Plant and equipment		1,025,858	881,130
Mineral exploration and evaluation expenditure		17,803,543	11,273,581
Other financial assets		61,200	36,200
Total Non Current Assets		18,890,601	12,190,911
TOTAL ASSETS		47,226,973	19,982,553
CURRENT LIABILITIES			
Trade and other payables		1,683,270	693,408
Provisions		313,811	226,608
Interest bearing liabilities		—	211
Total Current Liabilities		1,997,081	920,227
NON CURRENT LIABILITIES			
Provisions		25,193	70,060
Total Non Current Liabilities		25,193	70,060
TOTAL LIABILITIES		2,022,274	990,287
NET ASSETS		45,204,699	18,992,266
EQUITY			
Contributed equity	4	53,460,077	24,141,804
Reserves	5	22,137,424	18,751,550
Accumulated losses		(30,392,802)	(23,901,088)
TOTAL EQUITY		45,204,699	18,992,266

The above balance sheet should be read in conjunction with the accompanying condensed notes.



GOLDEN WEST RESOURCES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

	Ordinary Share Capital	Options Reserves	Accumulated Losses	Total
	\$	\$	\$	\$
<u>Consolidated</u>				
Balance at 01/07/2006	7,895,906	108,028	(3,053,760)	4,950,174
Shares issued during the period	8,216,745	--	--	8,216,745
Options issued during the period	--	25,000	--	25,000
Transaction costs	(392,112)	--	--	(392,112)
Loss attributable to members of parent entity	--	--	(886,071)	(886,071)
Balance at 31/12/2006	15,720,539	133,028	(3,939,831)	11,913,736
Balance at 01/07/2007	24,141,804	18,751,550	(23,901,088)	18,992,266
Shares issued during the period	30,978,308	(146,176)	--	30,832,132
Shares to be allotted	404,114	--	--	404,114
Options issued during the period	--	3,532,050	--	3,532,050
Transaction costs	(2,064,149)	--	--	(2,064,149)
Loss attributable to members of parent entity	--	--	(6,491,714)	(6,491,714)
Balance at 31/12/2007	53,460,077	22,137,424	(30,392,802)	45,204,699

The above statement of changes in equity should
be read in conjunction with the accompanying condensed notes.



GOLDEN WEST RESOURCES LIMITED

**STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

	Consolidated	
	December 2007	December 2006
	\$	\$
Cash Flows from Operating Activities		
Payments to suppliers and employees	(1,716,855)	(778,147)
Takeover expenses	(983,423)	--
Fines paid	(71,600)	--
Interest received	76,886	148,122
Interest paid	(187)	(8,953)
Deposits paid	(25,000)	--
Other costs – GST	97,447	--
Net Cash Used In Operating Activities	(2,622,732)	(638,978)
Cash Flows from Investing Activities		
Payments for exploration expenditure	(6,153,700)	(3,122,997)
Proceeds – fuel tax credit	53,179	--
Proceeds from sale of plant and equipment	12,820	16,823
Payments for plant and equipment	(290,639)	(441,953)
Net Cash Used In Investing Activities	(6,378,340)	(3,548,127)
Cash Flows from Financing Activities		
Proceeds from issue of shares and options	30,832,132	8,216,745
Proceeds for shares to be allotted	404,114	--
Funds received in advance for conversion of options	190,000	--
Share proceeds to be refunded	4,231	--
Costs associated with share and option issues	(1,860,290)	(392,112)
Net Cash Provided By Financing Activities	29,570,187	7,824,633
Net increase in cash and cash equivalents held	20,569,115	3,637,528
Cash and cash equivalents at beginning of the financial period	7,297,519	1,425,972
Cash and cash equivalents at the end of the half-year	27,866,634	5,063,500

The above statement of cash flows should be read in conjunction with the accompanying condensed notes.



GOLDEN WEST RESOURCES LIMITED

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

NOTE 1: BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

This general purpose condensed financial report for the half year ended 31 December 2007 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity, comprising Golden West Resources Limited and its controlled entities ("the Company"), as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2007 and considered together with any public announcements made by Golden West Resources Limited during the half-year ended 31 December 2007 in accordance with the continuous disclosure obligations of the ASX listing rules and the Corporations Act 2001.

Apart from the adoption of new Accounting Standards and Interpretations noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

Since 1 July 2007 the Company has adopted the following Australian Accounting Standards and Interpretations mandatory for annual periods beginning on or after 1 January 2007. Adoption of these Standards and Interpretations did not have any effect on the financial performance or position of the consolidated entity.

- AASB 7 Financial Instruments: Disclosures
- AASB 2005-10 Amendments to Australian Accounting Standards (AASB 132, 101, 114, 117, 133, 139, 1, 4, 1023 and 1038)
- AASB 2007-04 Amendments to Australian Accounting Standards arising from ED 151 and other amendments
- AASB 2007-7 Amendments to Australian Accounting Standards (AASB 1, 2, 4, 5, 107 and 108)



GOLDEN WEST RESOURCES LIMITED

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

NOTE 2: LOSS PER SHARE

The following reflects the income and data used in the calculation of basic earnings per share. Diluted loss per share is not disclosed as it would not reflect an inferior position.

	Consolidated	
	December 2007	December 2006
	\$	\$
Loss used in calculating basic and diluted loss per share	(6,491,714)	(886,071)
	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculating basic earnings per share:	75,439,708	58,225,866

NOTE 3: CASH AND CASH EQUIVALENTS

For the purpose of the half-year cash flow statement, cash and cash equivalents are comprised of the following:

	Consolidated	
	December 2007	June 2007
	\$	\$
Cash at bank and in hand	2,366,634	3,297,730
Term deposits	25,500,000	4,000,000
	27,866,634	7,297,730



GOLDEN WEST RESOURCES LIMITED

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

NOTE 4: CONTRIBUTED EQUITY

	Consolidated	
	December 2007 \$	June 2007 \$
(a) Issued Capital		
103,065,941 Ordinary shares fully paid (30/06/2007: 68,983,624)	53,055,963	24,141,804
Shares to be allotted	404,114	—
	<u>53,460,077</u>	<u>24,141,804</u>

Shares to be allotted comprise monies received prior to 31 December 2007 for exercise of options with shares allotted in January 2008.

(b) Movements in ordinary shares on issue

Details	No. of Shares	Issue Price	\$
Opening balance at 1 July 2007	68,983,624		24,141,804
Exercise of share options (i)	18,493,528	\$0.20	3,698,706
Transfer from Option Reserve	—	—	146,176
Exercise of share options	450,000	\$0.25	112,500
Exercise of share options	450,000	\$0.30	135,000
Exercise of share options	200,000	\$0.40	80,000
Exercise of share options	11,111	\$2.00	22,222
Share placement (ii)	14,477,678	\$1.85	26,783,704
Less: transaction costs on share issues	—	—	(2,064,149)
Closing balance at 31 December 2007	<u>103,065,941</u>		<u>53,055,963</u>

- (i) Exercise of share options at \$0.20 represent the proceeds received and shares allotted prior to 31 December 2007 of the Company's listed options which expired 31 December 2007.
- (ii) In December 2007 the Company completed a placement to institutional and sophisticated investors to provide funding to further advance its flagship Wiluna West iron Ore Project.



GOLDEN WEST RESOURCES LIMITED

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

NOTE 5: RESERVES

	Consolidated			
	December 2007	June 2007		
(a) Composition	\$	\$		
Options reserve	22,137,424	18,751,550		
(b) Movements in options reserve				
Details	No. of Listed Options	No. of Unlisted Options	Issue Price \$	\$
Opening balance at 1 July 2007	19,670,374	23,474,990		18,751,550
Conversion to fully paid ordinary shares	(18,493,528)	(1,111,111)	--	(146,176)
Option issue (i)	--	1,550,000	1.191	1,846,050
Option issue (i)	--	1,500,000	1.124	1,686,000
Conversion allotted post balance date (ii)	(1,070,572)	(600,000)	--	--
Expired options	(106,274)	--	--	--
Closing balance at 31 December 2007	Nil	24,813,879		22,137,424

- (i) Incentive options issued to directors and employee in consideration of their contribution to the Company, exercisable 1,550,000 at \$2.00 each on or before 31 December 2010 and 1,500,000 at \$3.00 each on or before 31 December 2011.
- (ii) Conversion allotted post balance date represents option exercises and monies received prior to 31 December 2007 for the Company's shares allotted in January 2008.

NOTE 6: SUBSIDIARIES

On 17th August 2007 the Company incorporated Golden West Energy Limited with issued capital of \$1,000. The Company has two 100% directly owned subsidiaries comprising Golden West Energy Limited and Iron West Resources Limited.

NOTE 7: CONTINGENT LIABILITIES

Golden West Resources Limited and its controlled entities have had no known material contingent liabilities since the last annual reporting date.



GOLDEN WEST RESOURCES LIMITED

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

NOTE 8: SEGMENT INFORMATION

Business segments and geographical segments:

The operations and assets of Golden West Resources Limited and its controlled entities are predominantly employed in exploration activities relating to minerals in Australia.

NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the end of the half-year ended 31 December 2007, the following events have occurred:

- In January 2008 the Company allotted shares arising from the exercise at \$0.20 each of listed options expiring 31 December 2007 for which the exercise notices and funds had been received prior to 31 December 2007.
- In February 2008 the Company raised \$6.7million from the allotment of 3,613,250 shares under a one for 15 non renounceable pro-rata rights issue to existing shareholders, announced in December 2007.
- In January and February 2008 the Company allotted shares from the exercise of various unlisted options.
- On 15th February 2008 Messrs Gary Hutchinson and Peter Thompson resigned as directors of the Company.
- On 4 March 2008 Mr John Lester was appointed as a director of the Company.



GOLDEN WEST RESOURCES LIMITED

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Golden West Resources Limited, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2007 and the performance for the half year ended on that date of the consolidated entity; and
 - (ii) complying with Accounting Standard AASB134 Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board,

.....
Constantino Markopoulos
Director

Perth, 14th March, 2008

Stantons International

ABN 41 103 088 697

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WEST PERTH WA 6005, AUSTRALIA
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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GOLDEN WEST RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Golden West Resources Limited, which comprises the consolidated condensed balance sheet as at 31 December 2007, and the consolidated condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Golden West Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

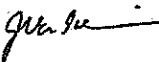
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Golden West Resources Limited on 14 March 2008.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Golden West Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

STANTONS INTERNATIONAL
(Authorised Audit Company)

Stantons International


J P Van Dieren
Director

West Perth, Western Australia
14 March 2008

Stantons International

ABN 41 103 088 697

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14 March 2008

Board of Directors
Golden West Resources Limited
Suite 6, 136 Main Street
Osborne Park, WA 6017

Dear Sirs

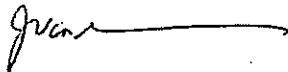
RE: GOLDEN WEST RESOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Golden West Resources Limited.

As Audit Director for the review of the financial statements of Golden West Resources Limited for the period ended 31 December 2007, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely
STANTONS INTERNATIONAL
(Authorised Audit Company)



J P Van Dieren
Director

DISTRIBUTION OF SHAREHOLDERS AS AT 13 MARCH 2008

SPREAD OF HOLDINGS	HOLDERS	SHARES	PERCENTAGE OF ISSUED CAPITAL %
1 – 1,000	459	282,605	0.257
1,001 – 5,000	937	2,572,605	2.336
5,001 – 10,000	381	2,931,439	2.661
10,001 – 100,000	571	16,155,348	14.666
100,001 +	113	88,207,766	80.080
	2,461	110,149,763	100.000

TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES AS AT 13 MARCH 2008

NAME	NO. OF ORDINARY SHARES HELD	PERCENTAGE OF ISSUES SHARES %
1 Fairstar Resources Limited	25,949,023	23.558
2 ANZ Nominees Limited	14,273,148	12.958
3 HSBC Custody Nominees (Australia) Limited	4,747,911	4.310
4 Citicorp Nominees Pty Limited	2,379,556	2.160
5 IFTC Broking Services Ltd	2,000,000	1.816
6 Shashua Pty Ltd (Hutchinson Super Fund A/c)	1,950,000	1.770
7 Dolphin Technology Pty Ltd	1,536,488	1.395
8 Michael Reginald Wilson	1,431,438	1.300
9 Dominic Casella	1,395,502	1.267
10 Shashua Pty Ltd (G&K Hutchinson Family A/c)	1,168,750	1.061
11 Merrill Lynch (Australia) Pty Limited	1,140,000	1.035
12 Dr Salim Cassim	1,102,433	1.001
13 Dr Neville Joseph	1,099,947	0.999
14 Mr Michael Keith Overheu and Mrs Marilyn Anne Overheu	997,235	0.905
15 Surfboard Pty Ltd (ARW Super Fund A/c)	870,552	0.790
16 Bayonet Investments Pty Ltd (Southpoint A/c)	856,836	0.778
17 Rimcapital Limited	721,295	0.655
18 Fortis Clearing Nominees Pty Ltd (Settlement A/c)	670,466	0.609
19 Sunami Pty Ltd (Neville Joseph S/Fund A/c)	652,423	0.592
20 Mrs Jennifer Hanna	640,000	0.581
	65,583,003	59.540