



26 October 2009

About the Company

Golden West Resources is an emerging Iron ore producer in the Midwest region of Western Australia.

To date the company has a combined Hematite Resource Estimate of 141Mt @ 59% Fe making it the second largest DSO resource in the Midwest Iron Ore province.

Golden West Resources also has gold and uranium projects in its portfolio.

Corporate Summary

ASX:	GWR
Issued Capital:	143 Mil
Issued Options:	28 Mil

Board and Officers

Vaughan Webber
Non-Executive Chairman

John Lester
Managing Director

Mick Wilson
Executive Director

Wang Jun
Non-Executive Director

John Douch
Non-Executive Director

Anthony Begovich
CFO/Company Secretary

Enquiries

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Wiluna West Hematite Resource Upgrade

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Highlights

- Significant resource upgrade at the Wiluna West Hematite Project
- Indicated Mineral Resource Estimate category totalling 42 million tonnes (Mt) at 60% Fe (30% of the total resource)
- The total volume of the identified Mineral Resources has increased by 28% since the last Mineral Resource Estimate
- The total Mineral Resource Estimate is now 141 Mt at 59% Fe with deleterious elements within sales specifications

Overview

Golden West Resources ("GWR") is pleased to announce that it has completed another significant resource upgrade at the Wiluna West Hematite Project. For the first time the inventory includes an Indicated Mineral Resource category totalling 42 million tonnes (Mt) at 60% Fe (30% of the total resource). The total Mineral Resource is now 141Mt at 59% Fe with deleterious elements within sales specifications.

This upgrade of GWR's Mineral Resources represents an important milestone for the company as it has confirmed that the Wiluna West Hematite Project is a major deposit in the Midwest Region. The Mineral Resource inventory places Wiluna West as the second largest hematite deposit in the Midwest Region reconfirming the Board's confidence in the project. These results represent another major step towards the development of an operating mine at the Wiluna West Hematite Project.

Next Steps

The Company will now focus on upgrading the Inferred Resources at C3, C4, Joyners Find and Bowerbird to Indicated and Measured Mineral Resource status. This will involve approximately 15,000m of infill RC drilling that is due to commence as soon as Program of Works Approvals (“POW”) have been obtained. The objective of this drilling program is to convert the Inferred Mineral Resources to Indicated and Measured Mineral Resources that will underpin Ore Reserve calculations as a prelude to an application for mining approvals.

Resource Details

GWR’s Wiluna West resource is reported in the following categories:

- Inferred Resource 98 Mt at 58 % Fe
- Indicated Resource 42 Mt at 60 % Fe
- Measured Resource 1 Mt at 62 % Fe
- **Total Resource 141 Mt at 59% Fe**

Recent diamond drilling and down hole geophysical surveys have vastly improved the geological understanding of the deposits. Additional mineralisation has been identified at Wiluna West. Significantly, the total volume of the identified Mineral Resource has increased by 9,270,000 m³ (28%) since the last Mineral Resource update, and a significantly larger portion of the Mineral Resources report above a 55 % Fe cut-off. Offsetting this increase is a decrease in the density factor to better reflect the various mineralisation types. This adjustment in density led to tonnage loss of approximately 14% from previous Mineral Resource estimates.

The Mineral Resources are summarised in Table 1. Snowden Mining Industry Consultants (Snowden) and Optiro Pty Ltd (Optiro) were commissioned to complete all of the block modelled Mineral Resource estimates. All sectional Mineral Resource Estimates have been calculated internally by GWR, but only represent 7% of the total reported Mineral Resource. All of the Mineral Resource estimates by Snowden have previously been announced. Resource Estimates undertaken by Optiro have not been previously announced and a Declaration and Statement of Consent from Optiro is appended to this announcement.

TABLE 1
Golden West Resources Limited
Wiluna West Hematite Project 2009 Mineral Resource Update
Reported above a 50% cut-off

Classification	Deposit	Calc	Tonnes (Mt)	Fe %	P %	Al ₂ O ₃ %	SiO ₂ %	LOI %
Measured	BOWERBIRD CENTRAL	Optiro 2009	1.16	61.89	0.037	2.89	6.53	1.68
	TOTAL		1.16	61.89	0.037	2.89	6.53	1.68
Indicated	BOWERBIRD CENTRAL	Optiro 2009	5.42	58.15	0.056	3.86	9.67	2.85
	BOWERBIRD SOUTH	Optiro 2009	10.50	58.21	0.058	3.62	9.18	3.37
	JINDALEE JOYNNERS	Optiro 2009	3.10	60.05	0.049	2.71	7.11	2.48
	C3	Optiro 2009	10.40	59.10	0.075	2.27	7.57	5.26
	C4	Optiro 2009	13.00	61.80	0.034	1.93	7.06	2.38
	TOTAL		42.42	59.66	0.05	2.74	8.05	3.40
Inferred	BOWERBIRD NTH NTH	GWR 2009	2.58	60.84	0.050	2.19	5.19	3.64
	BOWERBIRD NTH	Snowden 2008	3.90	59.70	0.040	3.80	6.50	2.60
	BOWERBIRD CENTRAL	Optiro 2009	4.70	57.11	0.055	3.67	11.25	2.84
	BOWERBIRD SOUTH	Optiro 2009	18.50	56.25	0.045	3.90	11.47	3.44
	JOYNER FIND	Optiro 2009	4.00	64.90	0.015	1.87	2.90	1.96
	JINDALEE JOYNNERS	Optiro 2009	5.10	60.17	0.026	2.81	7.31	2.08
	C1	Snowden 2007	4.20	58.50	0.088	3.30	7.20	5.20
	C2	GWR 2009	6.76	58.52	0.036	2.86	6.89	6.25
	C3	Optiro 2009	27.60	58.00	0.081	2.49	8.82	5.28
	C4	Optiro 2009	9.60	58.10	0.035	2.50	11.05	2.88
	C5	Snowden 2007	4.40	59.10	0.118	2.10	8.90	3.80
	CR	Snowden 2007	4.00	60.60	0.030	1.40	9.30	1.70
	South 2	Snowden 2008	2.20	56.20	0.077	2.03	9.10	7.80
	TOTAL		97.54	58.35	0.06	2.84	8.97	4.03
	Deposit Totals	BOWERBIRD NTH NTH	GWR 2009	2.6	60.84	0.050	2.19	5.19
BOWERBIRD NTH		Snowden 2008	3.9	59.70	0.040	3.80	6.50	2.60
BOWERBIRD CENTRAL		Optiro 2009	11.3	58.10	0.054	3.68	10.01	2.73
BOWERBIRD SOUTH		Optiro 2009	29.0	56.96	0.050	3.80	10.64	3.42
JOYNER FIND		Optiro 2009	4.0	64.90	0.015	1.87	2.90	1.96
JINDALEE JOYNNERS		Optiro 2009	8.2	60.12	0.035	2.77	7.23	2.23
C1		Snowden 2007	4.2	58.50	0.088	3.30	7.20	5.20
C2		GWR 2009	6.8	58.52	0.036	2.86	6.89	6.25
C3		Optiro 2009	38.0	58.30	0.079	2.43	8.48	5.27
C4		Optiro 2009	22.6	60.23	0.034	2.17	8.75	2.59
C5		Snowden 2007	4.4	59.10	0.118	2.10	8.90	3.80
CR		Snowden 2007	4.0	60.60	0.030	1.40	9.30	1.70
South 2		Snowden 2008	2.2	56.20	0.077	2.03	9.10	7.80
Grand Total			141.1	58.77	0.06	2.81	8.67	3.82

Competent Person's Statement

The information in this report which relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG"), a Corporate Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and independent consultant to the Company. Mr Maynard is the principal of AI Maynard & Associates Pty Ltd and has over 30 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Maynard consents to inclusion in the report of the matters based on his information in the form and context in which it appears



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26 October 2009

Our Ref: J_1031_G

Michael Wilson
Executive Chairman
Golden West Resources Limited
Suite 4, 138 Main Street
Osborne Park, WA 6017

Dear Michael

DECLARATION AND STATEMENT OF CONSENT OF OPTIRO

Optiro Pty Ltd (Optiro) declares that the tabulation of Mineral Resources presented by Optiro for Golden West Resources Limited's (GWR) Wiluna West Project has been prepared in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves, 2004 (the JORC Code). Optiro consents to being named in any ASX and Media Release and to the inclusion in ASX and Media Releases of a reference to an updated resource statement prepared by Optiro subject to and conditional upon an express statement appearing in the ASX and Media Release in substantially the same form as the following:

The Wiluna West project covers a 45km strike length of the Joyners Find Greenstone Belt near the northern margin of the Yilgarn Craton. The Joyners Find Greenstone Belt is a narrow (5km to 10km) north-south striking sequence comprising prominent ridges (in the central and eastern portion) of banded iron formation (BIF) intercalated with mafic and ultramafic schists containing minor chert and clastic sediment horizons (Figure 1 and 2).

The majority of the units within the Joyners Find Greenstone Belt are north to north-northwesterly trending, sub-vertical to steep westerly dipping. Folds developed during the D2 deformation event are observed in the BIF ridges as tight to isoclinal structures oriented north-south with west dipping axial planes. The BIF ridges are variably deformed and intensely folded.

Two regional dextral shear zones are recognised; the Joyners Find Shear Zone (JSZ) strikes to the north through the centre of the belt and is parallel to the lithological strike, and the Brilliant Shear Zone (BSZ) which is oriented north-northwest (50° to the lithological strike).

High grade hematite mineralisation occurs within three main BIF ridges (Units A, B and C) with grade occurrences of up to 69% Fe. Iron mineralisation occurs within BIFs surrounded by interbedded mafic and ultramafic schist units. Unit B and Unit C have been drill tested by GWR for hematite mineralisation. The two main ridges have distinctive mineralisation styles, with B ridge showing a much lower proportion of remnant bedding and a higher portion of hematite, especially in the top 20m. Mineralisation of the B ridge is much more continuous along strike, occurring semi-continuously for over 15 km. The mineralisation on C ridge typically occurs in a series of pods of up to 20Mt of ore separated by poorly or un-mineralised BIF. These pods appear to be controlled by structural deformation and are generally confined to the western side of the Formation.

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Optiro has prepared Mineral Resource estimates for the Bowerbird Central, Bowerbird South, C4 and C3 deposits which comprise part of the Wiluna West deposit (Figure 1). In addition, Optiro has revised the resource classification applied to the Joyners Find and Joyners Find North deposits to ensure that these deposits are classified in a manner consistent with the other deposits. The updated and revised Mineral Resource Estimates have been reported above a 50 %Fe cut-off grade in the following tabulation. The resources have been classified into Measured, Indicated and Inferred categories according to the 2004 JORC Code based on confidence in the geological and grade continuity of the deposits as demonstrated by the exploration data and associated quality control protocols.

The Mineral Resource Estimates prepared by Optiro are based on drillhole data and geological interpretations provided by GWR. The recent drillhole data includes significant amounts of downhole survey and downhole bulk density information which was not available during earlier phases of resource estimation. During the course of the 2009 calendar year, Optiro has undertaken reviews of the exploration drilling and geological interpretation processes and has completed routine reviews of assay related quality assurance and quality control data. Based on these reviews, Optiro considers the drillhole data to be of appropriate quality to participate in the Mineral Resource updates presented in this statement and to support the Mineral Resource categories assigned to the estimates.

Optiro has reviewed the geological interpretation whilst compiling the Mineral Resource Estimates and considers the interpretations to fairly represent the drillhole data and surface mapping available for the deposits to an accuracy commensurate with the classifications applied using the guidelines in the 2004 JORC Code.

Optiro has compiled Mineral Resource Estimates using geological domains based on lithology and grade conditions to constrain the limits of mineralised zones. A nominal 50 %Fe cut-off grade was used to discriminate mineralised zones within the BIF horizons. Grade characteristics for iron and associated contaminants were interpolated using ordinary kriging of one metre reverse circulation down hole samples into block models representing the geometry of the mineralised zones. The reverse circulation sample quality is supported by twinning of selected drillholes by diamond core, which also provide structural information, metallurgical samples and bulk density samples for the calibration of the data obtained from downhole probes. Where possible, bulk density has also been interpolated into the resource models from the calibrated downhole probe data. The downhole density data has resulted in a reduction in the average density factor applied to mineralised zones from 3.8 t/m³ to 3.1 t/m³ - 3.4 t/m³ depending on the deposit.

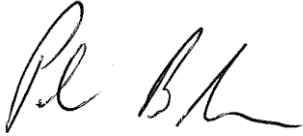
The deposits have been drilled at various combinations of 200m, 100m, 50m and 25m east-west orientated section lines. The on-section drillhole spacing varies between 40m and 20m and is occasionally as close as 10m. Close-spaced drilling on a 25mN by 10mE grid has been used to test a segment of the Bowerbird Central deposit. This data supports the Measured Mineral Resource classification assigned to a portion of the tonnage reported for this deposit.

The portions of the deposits classified as Indicated Mineral Resources feature a 100mN by 40mE drilling pattern as a minimum combined with demonstrated geological continuity. Most of the Indicated Mineral Resource is supported by drilling on a 50mN by 40mE drilling pattern or better. Extrapolation of the mineralisation along strike is constrained to half the drill section spacing. Down dip extrapolation was confined by a surface that was nominally located 10m to 20m below the base of drilling.

DECLARATION AND STATEMENT OF CONSENT OF OPTIRO

Yours sincerely

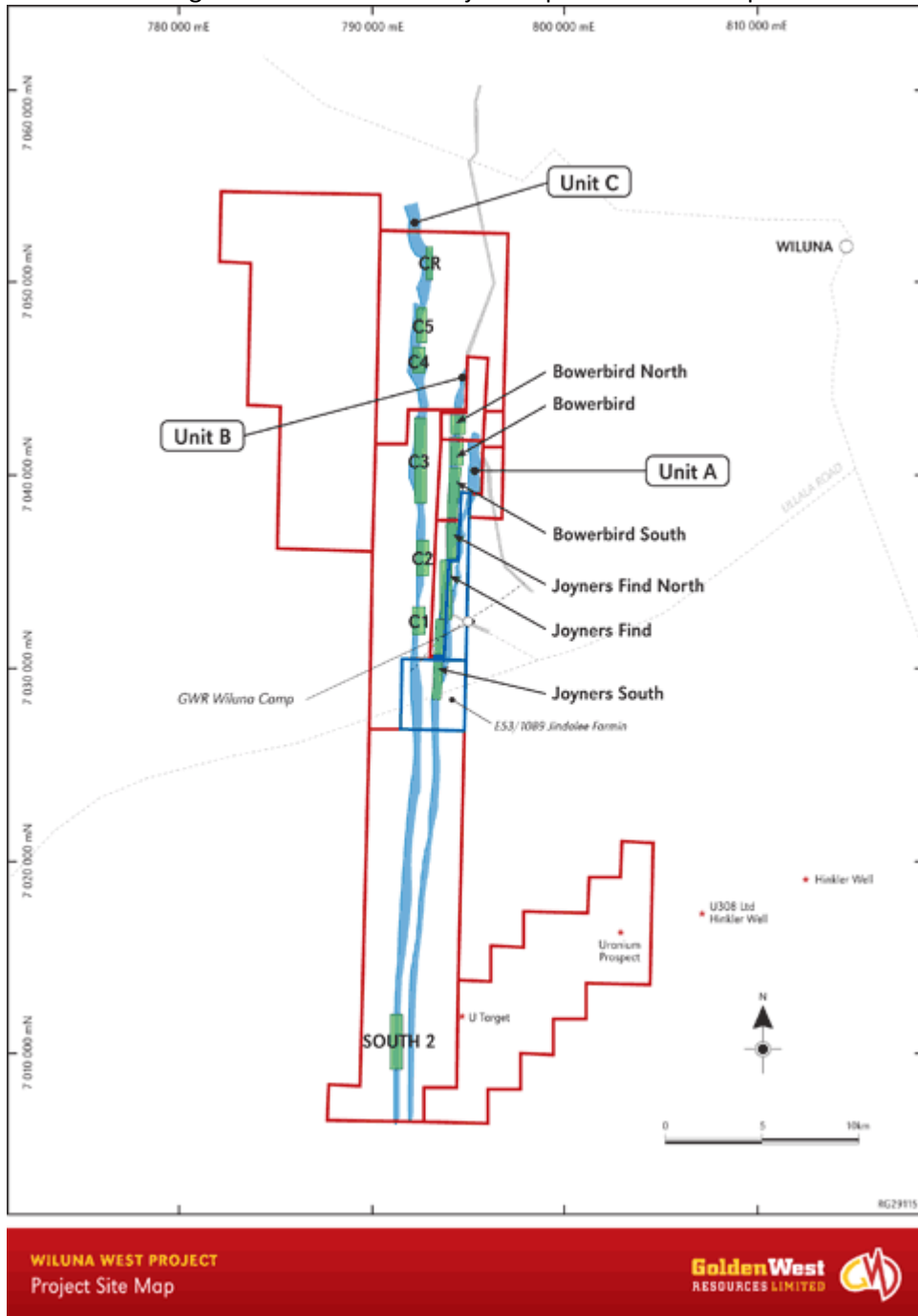
OPTIRO



Paul Blackney *MAusIMM*
Principal Consultant

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Figure 1 Wiluna West Project Deposit Location map

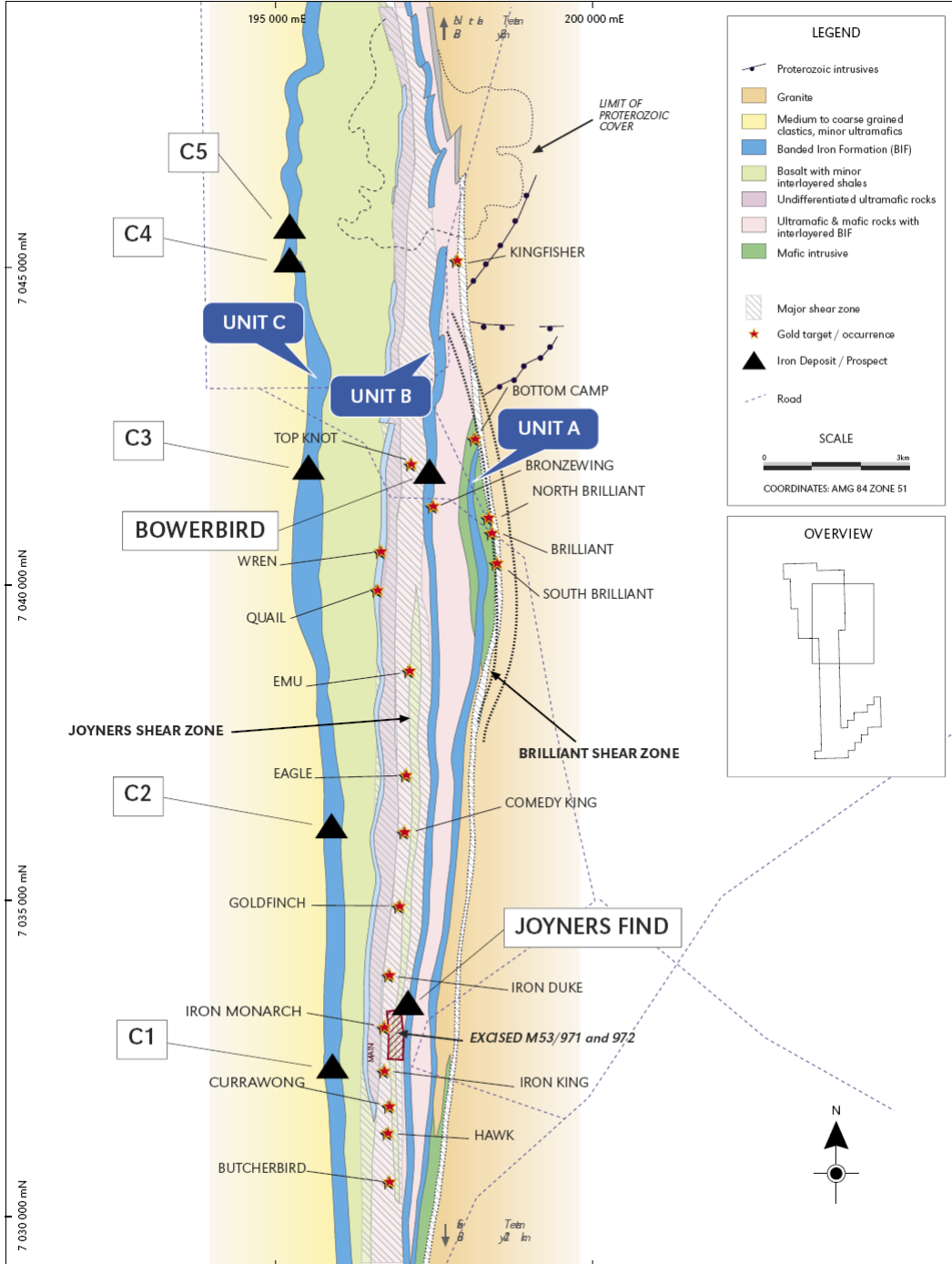


WILUNA WEST PROJECT
Project Site Map



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Figure 2 Wiluna West Geology map



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DECLARATION AND STATEMENT OF CONSENT OF OPTIRO

Golden West Resources Limited								
Wiluna West Project 2009 Mineral Resource Update								
Reported above a 50 %Fe cut-off								
Classification	Deposit	Mbcm	Mt	Fe	SiO ₂	Al ₂ O ₃	LOI	P
Measured	Bowerbird Central	0.4	1.2	61.9	6.53	2.89	1.68	0.037
	Total	0.4	1.2	61.9	6.53	2.89	1.68	0.037
Indicated	Bowerbird Central	1.6	5.4	58.15	9.67	3.86	2.85	0.056
	Bowerbird South	3.2	10.5	58.21	9.18	3.62	3.37	0.058
	C4	3.8	13.0	61.80	7.06	1.93	2.38	0.034
	C3	3.3	10.4	59.10	7.57	2.27	5.26	0.075
	Joyners Find North - Jindalee	0.8	2.8	59.96	7.18	2.63	2.47	0.051
	Joyners Find - Jindalee	0.1	0.3	60.48	6.47	3.49	2.62	0.030
	Total	12.8	42.4	59.66	8.05	2.74	3.40	0.054
Inferred	Bowerbird Central	1.5	4.7	57.11	11.25	3.67	2.84	0.055
	Bowerbird South	5.6	18.5	56.25	11.47	3.90	3.44	0.045
	C4	2.8	9.6	58.10	11.05	2.50	2.88	0.035
	C3	8.8	27.6	58.03	8.82	2.49	5.28	0.081
	Joyners Find North - Jindalee	1.0	3.4	58.99	8.42	2.83	2.27	0.027
	Joyners Find - Jindalee	0.5	1.7	62.51	5.10	2.77	1.70	0.023
	Joyners Find	1.2	4.0	64.87	2.90	1.87	1.96	0.015
	Total	21.4	69.5	58.06	9.54	2.93	3.87	0.055
Deposit Totals	Bowerbird Central	3.4	11.3	58.10	10.01	3.68	2.73	0.054
	Bowerbird South	8.8	29.0	56.96	10.64	3.80	3.42	0.050
	C4	6.6	22.6	60.24	8.75	2.17	2.59	0.034
	C3	12.1	38.0	58.32	8.48	2.43	5.27	0.079
	Joyners Find North - Jindalee	1.9	6.1	59.43	7.86	2.74	2.36	0.038
	Joyners Find - Jindalee	0.6	2.0	62.19	5.32	2.88	1.85	0.024
	Joyners Find	1.2	4.0	64.87	2.90	1.87	1.96	0.015
Grand Total		34.6	113.0	58.70	8.95	2.86	3.67	0.055

“The information in this Public Report that relates to Mineral Resources is based on, and accurately reflects, information compiled by Mr. Paul Blackney of Optiro Pty Ltd, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Blackney has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Blackney consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.”