



9 November 2009

Dear shareholder,

Clarification of 2009 Notice of Annual General Meeting

You should all have now received the Notice of Annual General Meeting ('Notice') and Proxy form for the 2009 Annual General Meeting of Golden West Resources Limited on the 26 November 2009 which was announced to the market on 27 October 2009.

The Company has received a number of queries in relation to the Notice and so I have decided to write this letter in an attempt to allay these and any other concerns shareholders may have.

The queries mainly concern Resolution 5 (agenda item 6) which seeks shareholder approval to increase the aggregate fixed sum payable to Non-executive directors of the Company by \$250,000 to \$500,000.

In Resolution 4 (agenda item 5) the Company is seeking shareholder approval to increase the maximum number of directors from 5 to 6 so it can add a new Non-executive director with extensive iron ore experience to the Board.

The increase in the aggregate fixed sum payable to Non-executive directors as proposed in Resolution 5 is required to achieve this objective.

The Company has no plans to increase payments made to individual Non-executive directors for the foreseeable future.

Yours faithfully

John Lester
Managing Director