



**Golden West**  
RESOURCES LIMITED

ABN 54 102 622 051

29 July 2011

### About Golden West Resources

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

To date the company has a total JORC Hematite Resource of 130.3Mt, comprising of Measured 3.7Mt @ 59.6% Fe, Indicated 77.2Mt @ 60.3% Fe and Inferred 49.5Mt @ 59.8% Fe, making it the second largest DSO resource in the Midwest Iron Ore province.

Golden West Resources also has a JORC gold Resource comprising of Indicated 46,000t @ 3.54 g/t Au and Inferred 3,432,000t @ 2.29g/t Au for a total 3,478,000t @ 2.31g/t Au for 258,200oz Au.

### Corporate summary

ASX code: GWR

Issued Capital: 192.083 Million

Issued Options: 10.250 Million

### Board and Officers

David Sanders  
Non-executive chairman

Mick Wilson  
Executive director

Tien Seng Law  
Non-executive director

Chin An Lau  
Non-executive director

Kong Leng (Jimmy) Lee  
Non-executive director

John Lester  
Non-executive director

Gary Lyons  
Non-executive director

Jun Wang  
Non-executive director

Anthony Begovich  
CFO/Company secretary

### Enquiries

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## QUARTERLY REPORT – June 2011

### HIGHLIGHTS

#### Wiluna West Hematite Project

- Updated resource estimates for the C3, C4 Bowerbird South and Bowerbird Central deposits were completed during the quarter, producing a 60% increase in the Measured and Indicated Resource to 80.9Mt and increasing the average grade to 60.0% Fe
- Work on finalising an inaugural reserve statement incorporating these updated resource models is now well advanced.
- The Company completed 22 RC drill holes for an aggregate of 2046m at the C4 and C5 deposits.

#### Investment in Silvrex

As a result of the withdrawal of the Initial Public Offer of its subsidiary Western Gold Resources Limited ('Western Gold') and in accordance with the Merger Implementation Deed, between Western Gold and Silvrex Limited, Western Gold will convert the outstanding loan into Silvrex shares and as a consequence hold approximately 18% of Silvrex.

Silvrex's principal asset is the Dalafin Senegal Gold Project in the West African Birimian Greenstone Region covering a highly prospective area of 636 km<sup>2</sup> where several multi-million ounce gold deposits, including the newly opened Sabodala gold mine, already exist.

#### Infrastructure

The Company is working with the EPSL and other stakeholders to progress the Port of Esperance expansion program.

In addition, the Company continues to be supportive of the Oakajee port and rail development and is actively monitoring the developments of OPR and the advancement of this project.

#### Corporate

The Company appointed Mr Chin An Lau as a Non Executive Director. Mr Lau had been acting as an alternate director for Mr Law since July 2010. Mr Lau is a qualified lawyer and owner of the legal practice Lau, Moghan & Ee.

## Wiluna West Hematite Project

### Global Resource

The Wiluna West Hematite Project consists of a JORC Hematite Resource of 130.3Mt, comprising of Measured 3.7Mt @ 59.6% Fe, Indicated 77.2Mt @ 60.3% Fe and Inferred 49.5Mt @ 59.8% Fe, which makes it the second largest DSO Resource in the Midwest Iron Ore Province. The resource update represents a 60% increase in the Indicated + Measured Resource and also increased the overall average Iron grade to 60.0% Fe from 59.1% previously.

TABLE 1: Golden West Resources Limited Wiluna West Hematite Project Mineral Resource Reported above a 50% cut-off						
Classification	Tonnes (Mt)	Fe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %	LOI %
Measured	3.7	59.6	7.7	2.5	0.09	4.0
Indicated	77.2	60.3	7.4	2.4	0.05	3.6
Inferred	49.5	59.8	7.3	2.5	0.05	3.9
<b>TOTAL</b>	<b>130.3</b>	<b>60.0</b>	<b>7.4</b>	<b>2.4</b>	<b>0.06</b>	<b>3.6</b>

It is expected that an inaugural Reserve statement based on the updated resource estimates will be released to the ASX in the current quarter. To date all of the required resource estimations and final pit designs have been completed.

### Drilling

During the June quarter RC drilling continued at the C4 and C5 deposits with a total of 2,046m completed. The drilling at C4 was designed to test the continuity of the deposit and returned a series of wide high grade intercepts including 64m @ 63.7% Fe, 50m @ 62.4% Fe, 66m @ 62.5% Fe, 64m @ 61.0% Fe, 79m @ 62.5% Fe, 61m @ 65.4% Fe and 69m @ 64.3% Fe. A table of all of the significant intercepts achieved during the Quarter are provided in Appendix 1.

TABLE 2: Golden West Resources Limited Summary of RC Drilling Completed by Deposit		
Prospect	Holes	Metres
C4	9	803
C5	13	1,243
<b>Total</b>	<b>22</b>	<b>2,046</b>

## Wiluna West Gold Project

The Wiluna West Gold Project comprises of a number of known gold deposits containing a combined gold Resource of Indicated 46,000t @ 3.54 g/t Au and Inferred 3,432,000t @ 2.29g/t Au for a total 3,478,000t @ 2.31g/t Au for 258,200oz Au.

## **Infrastructure**

As part of the proposed expansion program at the Port of Esperance GWR has been granted from EPSL a minimum 3 million tonne per annum allocation.

The Company is working with EPSL and other stakeholders including a number of prospective users of the expanded Port to progress the Port of Esperance expansion program.

In addition, the Company continues to be supportive of the Oakajee port and rail development and is actively monitoring the developments of OPR and the advancement of this project.

## **Western Gold Resources Limited - Initial Public Offer and Merger**

As announced on the 30 June 2011 the Company has withdrawn the Initial Public Offer of its subsidiary Western Gold Resources Limited ('Western Gold') due to the minimum subscription not being achieved during the Offer Period.

Consequently the Merger Implementation Deed, between Western Gold and Silvrex Limited ('Silvrex'), has reached the Final Completion Date without the conditions precedent being able to be met and accordingly Western Gold has elected to withdraw from the merger with Silvrex.

In accordance with the Merger Implementation Deed, Western Gold will convert the outstanding loan into Silvrex shares and as a consequence hold approximately 18% of Silvrex.

Silvrex's principal asset is the Dalafin Senegal Gold Project in the West African Birimian Greenstone Region where several multi-million ounce gold deposits, including the newly opened Sabodala gold mine, already exist. This early exploration stage project covers an area of 636 km<sup>2</sup> and is considered highly prospective following the interpretation of airborne geophysical and structural analysis, together with the results of termite mound and soil geochemical surveys which show multiple NE-trending structures through the property.

As a major shareholder of Silvrex, Western Gold looks forward to working with the Silvrex Board to progress the highly prospective Dalafin asset.

## **Corporate**

On 30 May 2011 the Company announced the appointment of Mr Chin An Lau as a Non Executive Director. Mr Lau had been acting as an alternate director for Mr Law since July 2010. Mr Lau is a qualified lawyer and owner of the legal practice Lau, Moghan & Ee.

At that time the Company also announced that John Lester stepped down from his executive role in the Company to pursue personal interests but remains a non executive director of the Company.

## Appendix 1

### Significant Intercepts Wiluna West Iron Project June 2011 Quarter

Hole Number	Northing	Easting	Deposit	Azi/Dip	Hole Depth	From	To	Intercept	Fe	SiO2	Al2O3	P	LOI
WWRC2777	7045750	792450	C4	090/060	98	0	10	10	59.0	6.4	2.5	0.04	5.8
WWRC2777						26	43	17	59.8	8.4	2.8	0.05	2.8
WWRC2777						52	80	28	58.7	14.4	0.6	0.03	0.7
WWRC2777						88	98	10	62.3	9.1	0.6	0.02	0.8
WWRC2778	7045750	792428	C4	090/060	96	2	14	12	56.0	9.6	3.5	0.03	6.2
WWRC2778						24	29	5	57.1	7.2	4.2	0.05	6.4
WWRC2778						32	55	23	62.2	6.0	2.3	0.03	2.6
WWRC2779	7045750	792408	C4	090/060	104	14	23	9	58.6	6.1	4.5	0.05	5.1
<b>WWRC2779</b>						<b>29</b>	<b>77</b>	<b>48</b>	<b>63.6</b>	<b>3.9</b>	<b>2.4</b>	<b>0.03</b>	<b>2.5</b>
WWRC2780	7045750	792390	C4	090/060	99	5	26	21	56.5	8.5	5.1	0.05	4.8
<b>WWRC2780</b>						<b>28</b>	<b>77</b>	<b>49</b>	<b>62.9</b>	<b>4.2</b>	<b>2.9</b>	<b>0.04</b>	<b>2.5</b>
WWRC2780						87	99	12	61.1	7.5	2.7	0.05	2.0
WWRC2781	7045775	792500	C4	090/060	63	0	5	5	63.3	4.5	1.2	0.04	3.4
WWRC2781						7	11	4	59.5	4.1	2.6	0.04	7.7
WWRC2781						15	31	16	62.0	5.2	3.2	0.03	2.7
WWRC2782	7045775	792440	C4	090/060	63	10	14	4	59.2	6.4	2.8	0.07	5.5
WWRC2782						17	35	18	62.9	4.3	2.5	0.03	2.7
WWRC2782						44	57	13	62.5	7.3	1.9	0.02	1.2
WWRC2783	7045775	792430	C4	090/060	69	2	6	4	53.7	9.5	4.6	0.04	8.3
<b>WWRC2783</b>						<b>24</b>	<b>68</b>	<b>44</b>	<b>63.4</b>	<b>5.9</b>	<b>1.5</b>	<b>0.03</b>	<b>1.7</b>
WWRC2784	7045775	792400	C4	090/060	105	0	17	17	60.6	7.6	2.6	0.03	2.8
<b>WWRC2784</b>						<b>26</b>	<b>90</b>	<b>64</b>	<b>63.7</b>	<b>4.8</b>	<b>2.2</b>	<b>0.02</b>	<b>1.7</b>
WWRC2785	7045825	792430	C4	090/060	106	0	4	4	52.4	13.3	6.1	0.02	4.8
<b>WWRC2785</b>						<b>22</b>	<b>70</b>	<b>48</b>	<b>61.6</b>	<b>6.5</b>	<b>3.0</b>	<b>0.02</b>	<b>2.0</b>
<b>WWRC2786</b>	<b>7045825</b>	<b>792420</b>	<b>C4</b>	<b>090/060</b>	<b>105</b>	<b>25</b>	<b>74</b>	<b>49</b>	<b>63.2</b>	<b>4.5</b>	<b>3.0</b>	<b>0.02</b>	<b>1.9</b>
WWRC2787	7045825	792410	C4	090/060	105	6	12	6	58.8	7.3	4.1	0.02	4.3
WWRC2787						14	18	4	59.0	6.3	4.6	0.02	4.1
<b>WWRC2787</b>						<b>32</b>	<b>82</b>	<b>50</b>	<b>62.4</b>	<b>4.8</b>	<b>3.3</b>	<b>0.02</b>	<b>2.3</b>
WWRC2787						83	88	5	56.5	16.1	1.8	0.02	1.1
WWRC2789	7045825	792390	C4	090/060	99	5	12	7	56.7	9.1	5.6	0.01	3.9
<b>WWRC2789</b>						<b>28</b>	<b>94</b>	<b>66</b>	<b>62.5</b>	<b>6.0</b>	<b>2.6</b>	<b>0.02</b>	<b>1.8</b>
<b>WWRC2790</b>	<b>7045825</b>	<b>792380</b>	<b>C4</b>	<b>090/060</b>	<b>99</b>	<b>27</b>	<b>91</b>	<b>64</b>	<b>61.0</b>	<b>8.0</b>	<b>2.3</b>	<b>0.02</b>	<b>2.3</b>
WWRC2791	7045825	792370	C4	090/060	99	30	62	32	55.3	14.5	3.3	0.01	2.8
WWRC2792	7045825	792360	C4	090/060	99	30	36	6	58.3	9.0	4.1	0.01	3.3
WWRC2792						65	71	6	56.2	10.6	2.5	0.04	6.2
WWRC2793	7045775	792390	C4	090/060	95	19	26	7	59.2	7.0	4.2	0.03	3.6
WWRC2793						31	95	64	64.1	4.1	2.1	0.03	1.8
<b>WWRC2794</b>	<b>7045775</b>	<b>792380</b>	<b>C4</b>	<b>090/060</b>	<b>99</b>	<b>20</b>	<b>99</b>	<b>79</b>	<b>62.5</b>	<b>4.6</b>	<b>3.0</b>	<b>0.04</b>	<b>2.6</b>
<b>WWRC2795</b>	<b>7045775</b>	<b>792370</b>	<b>C4</b>	<b>090/060</b>	<b>105</b>	<b>44</b>	<b>105</b>	<b>61</b>	<b>65.4</b>	<b>2.8</b>	<b>1.5</b>	<b>0.04</b>	<b>1.9</b>
<b>WWRC2796</b>	<b>7045775</b>	<b>792360</b>	<b>C4</b>	<b>090/060</b>	<b>105</b>	<b>61</b>	<b>105</b>	<b>44</b>	<b>65.0</b>	<b>2.9</b>	<b>1.6</b>	<b>0.04</b>	<b>2.2</b>
WWRC2797	7045775	792420	C4	090/060	87	3	18	15	60.4	6.4	2.8	0.05	4.0
WWRC2797						28	69	41	64.2	4.7	1.8	0.02	1.5
WWRC2798	7045775	792410	C4	090/060	15	0	14	14	55.7	9.6	4.9	0.03	5.3
<b>WWRC2799</b>	<b>7045800</b>	<b>792372</b>	<b>C4</b>	<b>090/060</b>	<b>99</b>	<b>30</b>	<b>99</b>	<b>69</b>	<b>64.3</b>	<b>3.6</b>	<b>2.1</b>	<b>0.02</b>	<b>2.1</b>
WWRC2800	7045800	792350	C4	090/060	105	44	81	37	59.4	9.1	2.2	0.02	3.5
WWRC2800						83	102	19	55.1	18.2	1.2	0.02	1.6
WWRC2801	7045750	792370	C4	090/060	93	34	55	21	58.9	7.2	5.4	0.04	2.8
WWRC2801			C4	090/060		59	93	34	63.5	4.1	2.6	0.05	2.2

Hole Number	Northing	Easting	Deposit	Azi/Dip	Hole Depth	From	To	Intercept	Fe	SiO2	Al2O3	P	LOI
WWRC2802	7047200	792650	C5	090/060	93	48	53	5	53.9	12.6	0.7	0.11	8.5
WWRC2805	7047300	792465	C5	090/060	93	33	48	15	58.0	9.5	2.8	0.09	4.3
WWRC2805						50	62	12	57.3	12.6	1.6	0.11	3.4
WWRC2805						70	85	15	58.6	10.7	0.9	0.10	4.2
WWRC2806	7047400	792650	C5		69	16	20	4	53.0	11.6	6.0	0.05	6.2
WWRC2809	7047400	792590	C5	090/060	129	11	19	8	52.0	13.4	3.9	0.10	7.6
WWRC2809						37	41	4	55.1	12.9	1.1	0.09	6.9
WWRC2809						76	86	10	55.8	12.1	1.6	0.18	5.7
WWRC2811	7047500	792610	C5	090/060	105	57	71	14	61.1	8.8	1.3	0.09	2.3
WWRC2813	7047600	792650	C5	090/060	80	9	17	8	58.2	9.1	4.3	0.03	3.2
WWRC2813						34	52	18	57.0	12.8	3.3	0.03	2.2
WWRC2813						64	67	3	63.3	8.5	0.5	0.02	0.4
WWRC2807	7047400	792630	C5	090/060	93	14	30	16	54.8	11.4	3.6	0.10	6.1
WWRC2807						38	61	23	56.2	11.0	4.1	0.10	4.0
WWRC2808	7047400	792610	C5	090/060	117	35	61	26	56.7	7.5	2.3	0.18	8.5
WWRC2810	7047500	792650	C5	090/060	75	17	36	19	55.2	10.2	6.3	0.04	3.9
WWRC2811	7047500	792610	C5	090/060	105	57	71	14	61.1	8.8	1.3	0.09	2.3
WWRC2814	7047600	792630	C5	090/060	86	3	39	36	58.8	9.6	2.7	0.07	3.1

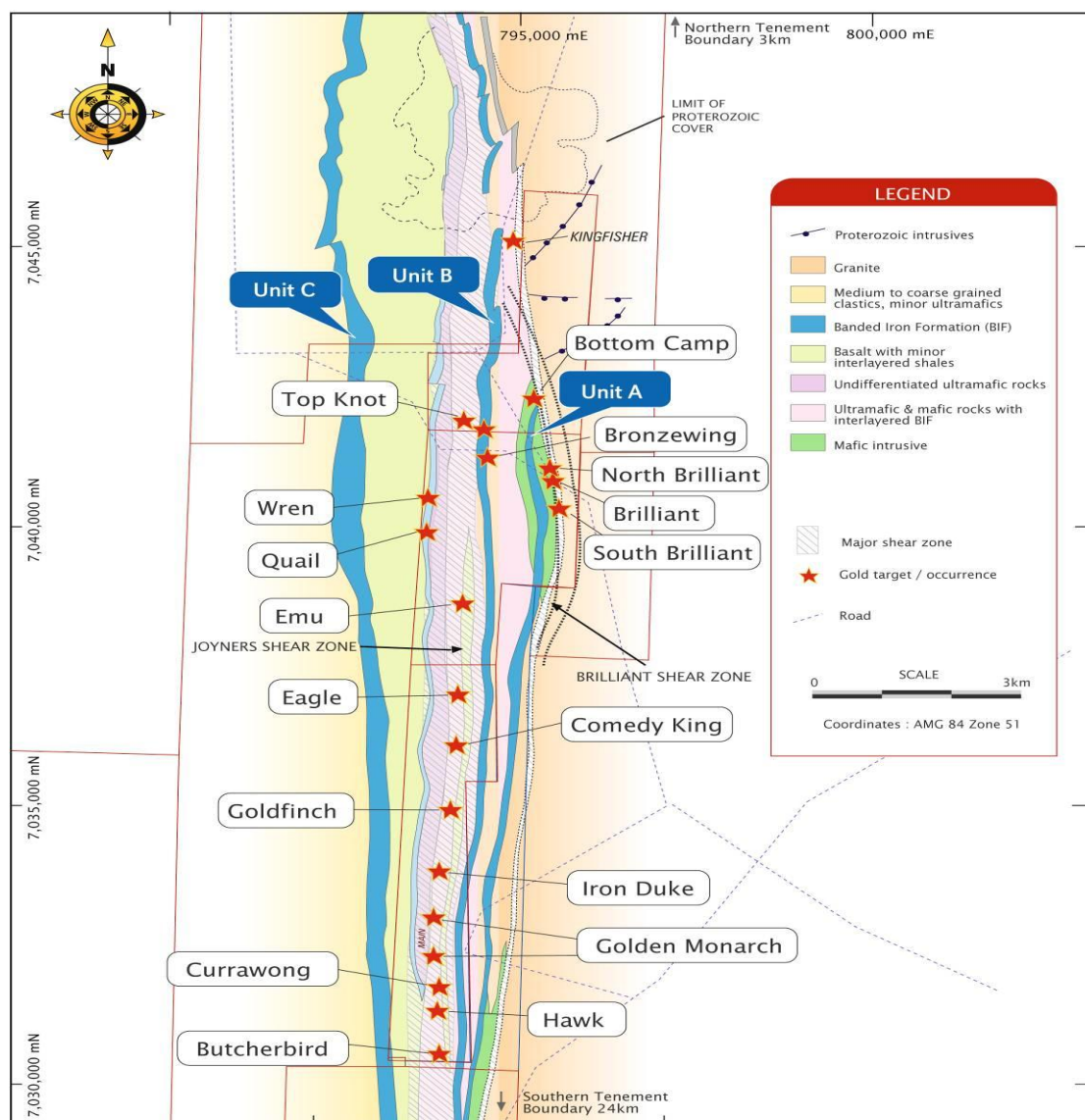
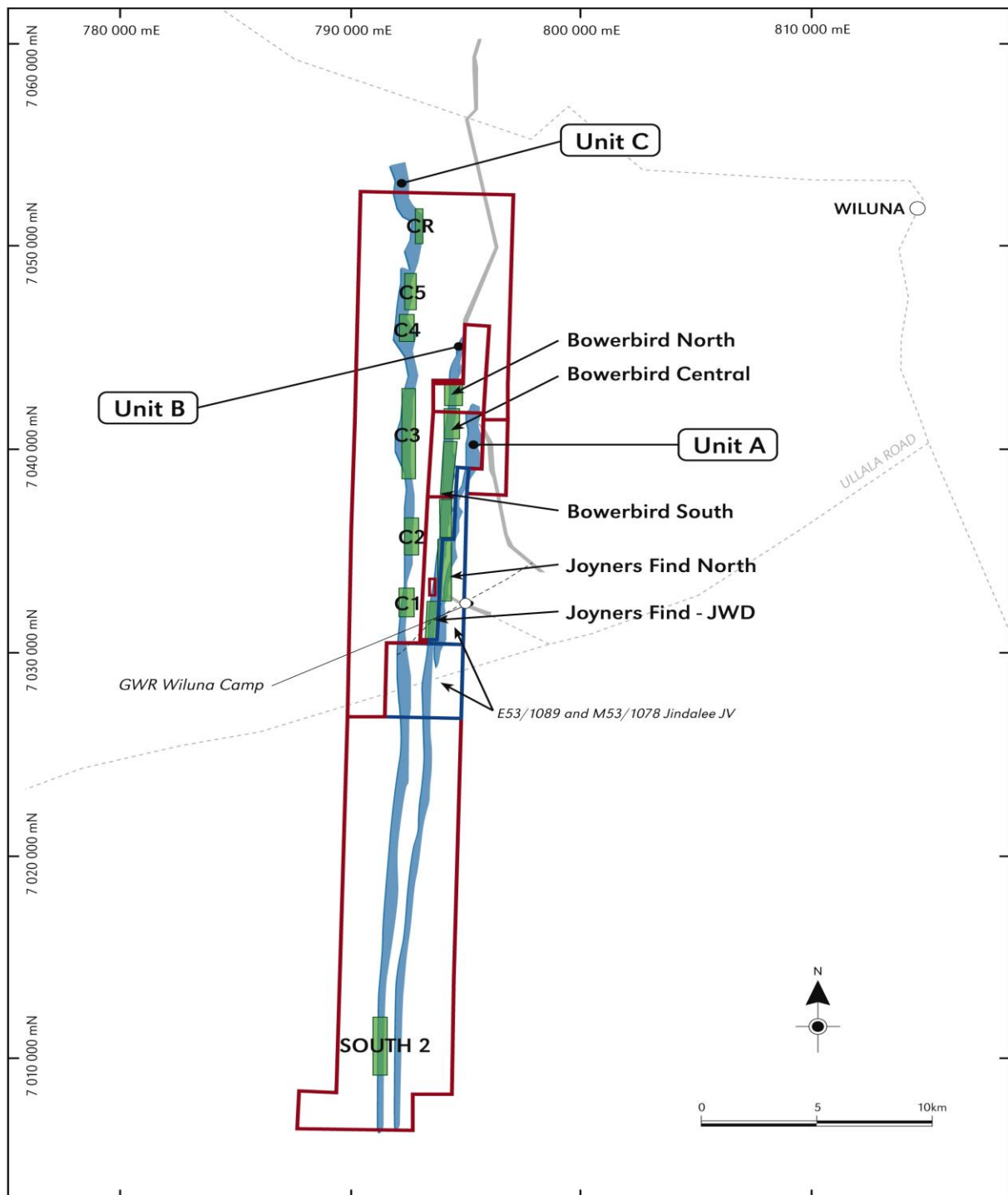


Figure 1: Project Site Map



**Figure 2: Project Location**



**Figure 3: Wiluna West Project**

### 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 Brian Varndell, who is a Fellow 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 Varndell is a consultant of Al Maynard & Associates Pty Ltd and has 40 years of experience in exploration and mining in a variety of mineral deposit styles. Mr Varndell 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 Varndell consents to inclusion in the report of the matters based on his information in the form and context in which it appears.

## Appendix 5B

### Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Golden West Resources Limited

ABN

54 102 622 051

Quarter ended ("current quarter")

30 June 2011

#### Consolidated statement of cash flows

		Current quarter (3 month's) \$A'000	Year to date (12 month's) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(1,932)	(10,690)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(1,247)	(4,659)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	162	884
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>		<b>(3,017)</b>	<b>(14,465)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(2)	(195)
1.9	Proceeds from: (a) prospects	200	200
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	(270)	(678)
1.11	Loans repaid by other entities	-	144
1.12	Other (Environmental bonds & security deposits)	(102)	(117)
<b>Net investing cash flows</b>		<b>(374)</b>	<b>(646)</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(3,391)</b>	<b>(15,111)</b>



1.13	Total operating and investing cash flows (brought forward)	(3,391)	(15,111)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	39,127
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	(1)	(1,513)
	<b>Net financing cash flows</b>	(1)	37,614
	<b>Net increase (decrease) in cash held</b>	(3,392)	22,503
1.20	Cash at beginning of quarter/year to date	35,015	9,120
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	31,623	31,623

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	270
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Payment of fees, salaries and superannuation to the directors of the Company during the quarter.	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

### Financing facilities available

Add notes necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,120
4.2 Development	-
4.3 Production	-
4.4 Administration	1,524
<b>Total</b>	<b>2,644</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Curent quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,052	3,482
5.2 Deposits at call	28,571	31,533
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>31,623</b>	<b>35,015</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E53/1177	100%	100%	NIL
6.2 Interests in mining tenements acquired or increased		-	-	-

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference +securities</b> (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>+Ordinary securities</b>	192,082,567	192,082,567		
7.4	Changes during quarter (a) Increases through issues: (b) Decreases through returns of capital, buy-backs				
7.5	<b>+Convertible debt securities</b> (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	10,250,000	-	Exercise price \$3.00	Expiry date 31 Dec 2011
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date:

29 July 2011

Print name:

(Company secretary)  
Mr Anthony Begovich

## Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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