

ASX ANNOUNCEMENT/MEDIA RELEASE

10 June 2011

Western Gold Resources Limited – Extension of Offer Period

Highlights

- GWR's subsidiary Western Gold has lodged with ASIC a prospectus concerning the Initial Public Offer for Western Gold.
- The closing date of the Offer Period has been extended until 24th June 2010.
- GWR shareholders will receive shares in Western Gold as a consequence of an in specie distribution from GWR and a priority entitlement to acquire more shares through the Western Gold IPO.
- A copy of the Prospectus is available at www.westerngoldresources.com.au

Details

Golden West Resources Limited ('GWR') has lodged an Initial Public Offer (IPO) Prospectus for its new gold company Western Gold Resources Limited ('Western Gold'). The Western Gold IPO is seeking to raise \$10.0 million and list on the ASX.

A copy of the Prospectus is available at www.westerngoldresources.com.au. GWR shareholders will receive shares in Western Gold as a consequence of an in specie distribution from GWR. A copy of the Prospectus has been mailed to all GWR shareholders with a letter setting out details regarding the priority entitlement to the Western Gold IPO.

The closing date of the Offer Period has been extended by two weeks until Friday 24th June 2010. Attached to this announcement is a letter to GWR shareholders that has been sent today.

Mr David Sanders, Chairman of GWR commented; "The extension of the closing date of the Offer Period has been in response to requests from GWR shareholders to provide more time to consider and act on the priority entitlement aspect of the IPO. GWR has been delighted to date with the support of GWR shareholders and new investors and we are progressing well towards achievement of the minimum subscription."

About Wiluna West Gold Project

The Wiluna West Gold Project, in Western Australia, comprises a number of known gold deposits containing an Indicated and Inferred Mineral Resource of 258,200 oz gold using a 1 g/t Au cut-off grade (comprising Indicated 46,000t @ 3.54 g/t Au and Inferred 3,432,000t @ 2.3g/t Au). These deposits are within granted mining leases.

About Dalafin Gold Project

The Dalafin Gold Project covering 636 sqkm is situated on the West African Birimian greenstone belt located in the West African nation of Senegal. The Birimian greenstone belt hosts a large number of significant gold deposits, one of which, the Loulo Mine of Randgold Resources, is only 20km from the Dalafin Gold Project. This early exploration stage project is considered 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.

Revised Indicative Timetable

The Indicative Timetable for the Western Gold IPO is set out below:

Prospectus Lodged with ASIC	16 th May 2011
Opening Date	23 rd May 2011
Closing Date	24 th June 2011
Record Date for in specie distribution	7 th July 2011
Expected Listing Date on ASX	18 th July 2011

Competent Persons 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 Director and principal of Al 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.

- ENDS -

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10 June 2011

Dear Shareholder

Western Gold Resources Limited – Extension of Offer Period

Golden West Resources Limited's ('GWR') subsidiary, Western Gold Resources Limited ("Western Gold") has lodged with ASIC a prospectus concerning the Initial Public Offer for Western Gold ("IPO"). A copy of the Prospectus is available at www.westerngoldresources.com.au.

Western Gold is pleased to advise that the closing date of the closing date of the Offer Period has been extended until Friday 24th June 2010.

The extension of the closing date of the Offer Period has been in response to requests from GWR shareholders to provide more time to consider and act on the priority entitlement aspect of the IPO. GWR has been delighted to date with the support of GWR shareholders and new investors and we are progressing well towards achievement of the minimum subscription.

In Specie Distribution

All GWR shareholders as at the record date, anticipated to be on or about the **7th July 2011**, will receive Western Gold shares on a ratio of 1 GWR Share = 0.2707 Western Gold Shares. The Western Gold share price for the purpose of the IPO is \$0.20 per share.

Priority Offer

In addition to the in specie distribution, GWR shareholders have the opportunity to apply for additional Western Gold shares through a Priority Offer under the IPO.

GWR shareholders who wish to apply under the Priority Offer must at least apply for the minimum entitlement of 10,000 shares (being minimum application monies of \$2,000) and thereafter in multiples of 1,000 shares.

Applications under the Priority Offer will be accepted in priority to Applications under the Public Offer. Applications under the Priority Offer can only be made on the yellow Priority Offer application forms contained in the prospectus.

If you have any questions in respect of Western Gold, please contact the Company Secretary, Mr Vaughan Webber on (08) 9201 1552 or by email at admin@westerngoldresources.com.au

Yours sincerely

David Sanders
Chairman