

24 December 2009

Company Announcements Office,  
ASX Securities Limited,  
20, Bridge Street,  
Sydney, N.S.W. 2000

**RENOUNCEABLE RIGHTS ISSUE - NOTICE OF REFUND OF THE SHORTFALL APPLICATION MONIES**

Western Desert Resources Ltd (ASX: WDR) ("**WDR**", "**the Company**") refers to its Offer Memorandum and Appendix 3B lodged with ASX on 17 November 2009 for a fully underwritten one (1) for five (5) renounceable pro-rata entitlement issue and to the additional applications received for the shortfall entitlements.

Due to the high level of support from shareholders and the issue being underwritten the majority of these additional applications are unable to be accommodated. Excess application monies received by the Registry are being refunded today with the attached notice to Shareholders.

Yours faithfully

Laurie Ackroyd  
Company Secretary  
Western Desert Resources Ltd

*About Western Desert Resources Limited*

*Western Desert Resources (WDR) is an ASX listed Australian exploration company with a diversified portfolio of projects in Australia. WDR has identified advanced prospects in iron ore, gold and copper.*

*Core projects are: the Roper Bar Iron Ore Project in the Northern Territory located close to the Gulf of Carpentaria; and the Rover gold/copper project near Tennant Creek, also in the Northern Territory.*



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**Dear Shareholder,**

**RENOUNCEABLE RIGHTS ISSUE – REFUND OF SHORTFALL APPLICATION MONIES**

Western Desert Resources Limited (ASX: WDR) (**Western Desert Resources**) refers to its one (1) for five (5) renounceable pro rata entitlement issue announced on 17 November 2009 (**RRI**).

The Directors are pleased to announce that the Company has now allotted a total of 21,380,713 new shares raising a total of \$8,552,285.20 (before costs).

The RRI was well supported by existing shareholders with valid acceptances received for 85% of the rights entitlements offered under the RRI. The shortfall in the acceptance of entitlements was underwritten by Patersons Securities Limited.

In addition, Western Desert Resources also received applications to participate in the shortfall for 8,249,282 shares. The directors are delighted with this response and support for the company.

Due to the high level of support for the RRI from existing shareholders and the issue being underwritten by Paterson Securities Limited the majority of these additional applications for shortfall are unable to be accommodated, with monies paid in respect of these applications, for which an allocation will not be made, being refunded with this notice.

It is anticipated that the holding statements will be despatched on 29 December 2009.

The directors of Western Desert Resources are very pleased with the high level of support received and would like to thank participants for their support of Western Desert Resources.

Regards,

Mick Billing  
Chairman