

29th November, 2010

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

### Annual General Meeting - Chairman's Address

At the Annual General Meeting of Western Desert Resources Limited ("WDR" or "the Company") to be held in Adelaide on 29<sup>th</sup> November, 2010 at 2.30pm the following presentations are to be given by Company Officeholders:-

1. An address by the Chairman, Mr David Cloke.
2. A Company presentation entitled "AGM Presentation" by the Managing Director, Mr Norm Gardner.

Pursuant to ASX Listing Rule 3.13.3 the Company provides a copy of the above presentations.

The Chairman's address is to be delivered within the formal part of the meeting. The "AGM Presentation", to be delivered by the Managing Director, is to follow the close of the formal section of the meeting where an overview of company management, shareholding structure and the major Company exploration and development projects will be given.

Yours faithfully,

Laurie Ackroyd  
Company Secretary

(08) 8177 8800  
[info@westerndesertresources.com.au](mailto:info@westerndesertresources.com.au)

### *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.*

## CHAIRMAN'S ADDRESS TO 2010 ANNUAL GENERAL MEETING

Welcome to the 4th Annual General Meeting of WDR.

My Chairman's Report included in the company's printed annual report for the year ended 30th June 2010 referred to major events that occurred during that year. Whilst I don't intend to read that report at this meeting, the significant events were:

- The change in Chairmanship in January 2010 and my thanks go to Mick Billing for his past contributions as Chairman in the developmental stages of the company.
- The appointment of Phillip Lockyer as a director - welcome Phil to your first WDR Annual General Meeting.
- The release of the company's initial resource statement
- The buy-out of Itochu of their interest in the Roper Bar project
- The raising of additional capital during the year totalling \$11.9M.

Since the Company Annual Report was issued the following major events have occurred:

- The release of The Roper Bar Iron Ore Project Status Report which sets out the progress made to date on the various stages of development necessary to progress to A POINT WHERE THE COMPANY CAN COMMENCE MINING OPERATIONS. Most importantly the report clearly demonstrates that the project is financially viable with a projected 25% internal rate of return on the investment over a 20 year mine life and a net present value of \$515M.

Equally important, the report refers to the significant progress in defining the cost of the required infrastructure, beneficiation processes and the ability to transport our ore to the Asian market at low costs due to our proximity to the coast. This is a very encouraging report and confirms the company's opinion that we have a significant mining operation in the making.

- Another encouraging factor is that we continue to receive expressions of interest from owners of major Chinese steel mills who are interested in becoming corner stone investors and provide infrastructure finance and enter into off-take agreements. Your company will progress negotiations as appropriate to ascertain whether they are in the best interests of our shareholders. Any agreement reached would be subject to shareholder approval.

- The company has raised \$12M by means of a share placement at 32 cents per share. This placement consists of 2 tranches being:
  1. 20.17 million shares which is within the 15% capacity in accordance with ASX Listing Rule 7.1. The company has received the application monies from the places.
  2. and, 17.33 million shares, which is subject to shareholder approval at a shareholder's General meeting to be held on the 22nd December 2010 and also meeting the conditions contained in the issuing broker's mandate document.

Whilst the issue price was lower than the Company would have liked, the price was dictated by the market and importantly this finance provides the company with the ability to further improve the present mineral resource and move forward to a position when WDR can start mining.

- More recently a further resource statement has been announced which shows an increased resource of 189 million tonnes including 7 million tonnes of direct shipping ore.

In closing, I wish to formally recognise the outstanding contribution by our MD, Norm Gardner, for his energetic endeavours in steering the company towards its major goal of establishing a significant iron ore mine in the NT. My thanks also go to our exploration support team led by our Senior Geologist, John Fabray, and to Laurie Ackroyd our Company Secretary/Chief Financial Officer and his team for their tireless input behind the scenes.

Thank you for your attendance, here today.

*David Cloke  
Chairperson  
Western Desert Resources Limited.*

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# WesternDesert

R E S O U R C E S

## AGM PRESENTATION

NOVEMBER 2010

Where this presentation contains “forward-looking statements”, these statements are based on information and assumptions and involve expectations or beliefs as to future events or results as understood at the date of this presentation. All forward-looking statements are represented in good faith and have a reasonable basis at the time that they are made. However, such statements are subject to various risks and uncertainties, many of which are beyond the control of the company, which could cause actual results to differ materially from those represented by the forward-looking statements.

Any representation in this presentation should not be relied upon as to its accuracy or completeness nor as a recommendation or forecast by the company. The company advises that Independent financial advice be sought before concluding any binding decision made in connection with this presentation.

The representations made within this presentation should not be construed as either an offer to buy or sell any securities of the company in any jurisdiction.

The potential quantity and grade of any exploration target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain whether further exploration will result in a larger, smaller, or any Mineral Resource.

The information in this report that relates to Exploration Results is based on information compiled and / or assessed by Graham Bubner who is a Member of The Australian Institute of Geoscientists. Mr. Bubner is a full time employee of AsIs International and acts as a consultant to Western Desert Resources Limited. Mr. Bubner 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. Bubner consents to the inclusion in the report of the matters based on his assessment of the available information in the form and context in which it appears.

The information in this statement that relates to Mineral Resources is based on information compiled by Sharron Sylvester who is a full-time employee of AMC Consultants Pty Ltd and a Member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code (2004). Sharron Sylvester consents to the inclusion of this information in the form and context in which it appears.



## CAPITAL

WDR – Ordinary Shares	155 m
- Options	8.1 m
Current Share Price	A\$0.31
- 12 month range	A\$0.28 – A\$0.85
Market Capitalisation	A\$50.0m
Cash & receivables	A\$8.0m

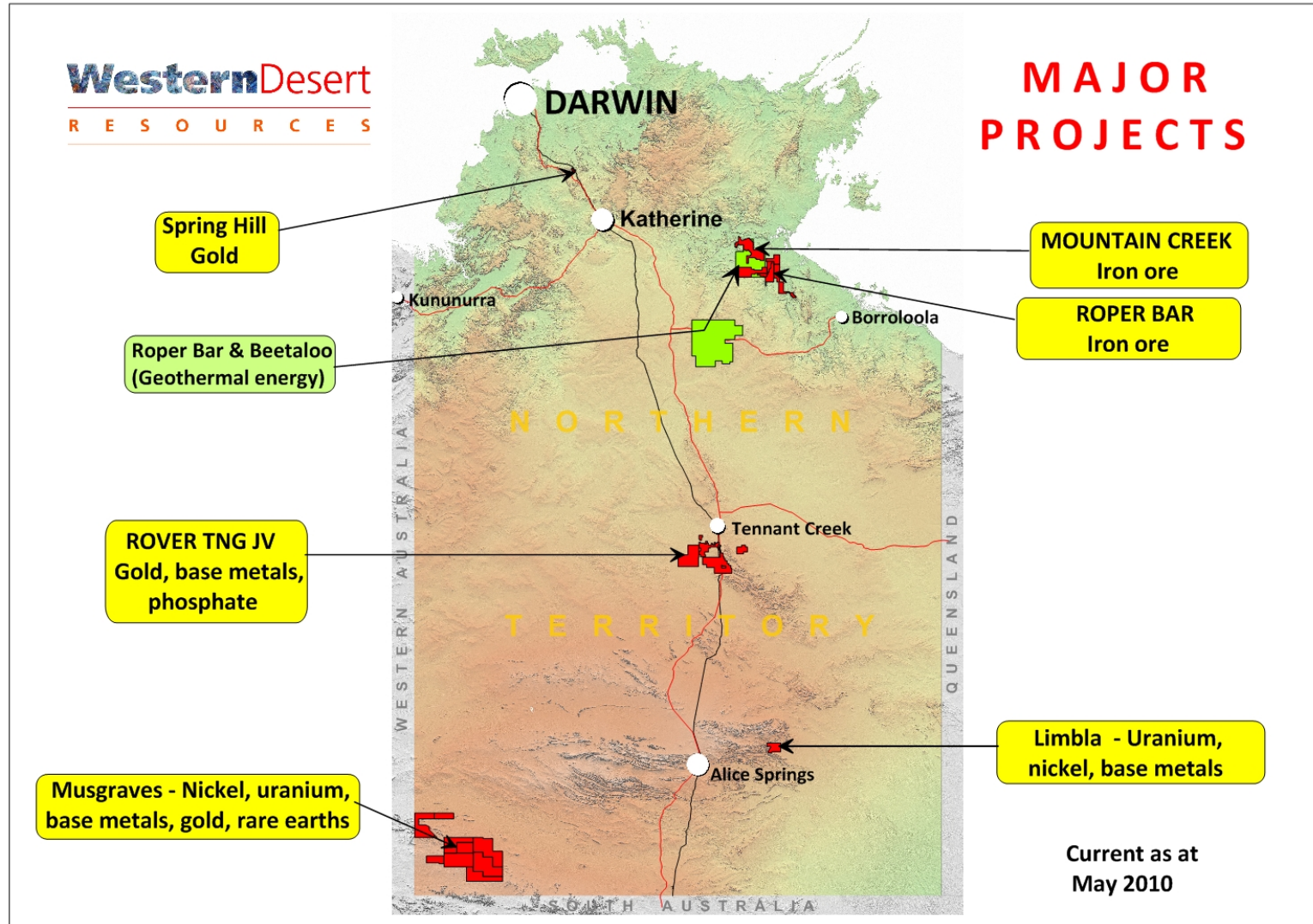
## DIRECTORS & MANAGEMENT

Norm Gardner	Managing Director
Mick Ashton	Non-Exec Director
Graham Bubner	Non-Exec Director
David Cloke	Non-Exec Director
Phil Lockyer	Non-Exec Director
Laurie Ackroyd	CFO / Company Secretary
Bob Howard	Project Manager iron ore

## MAJOR SHAREHOLDERS

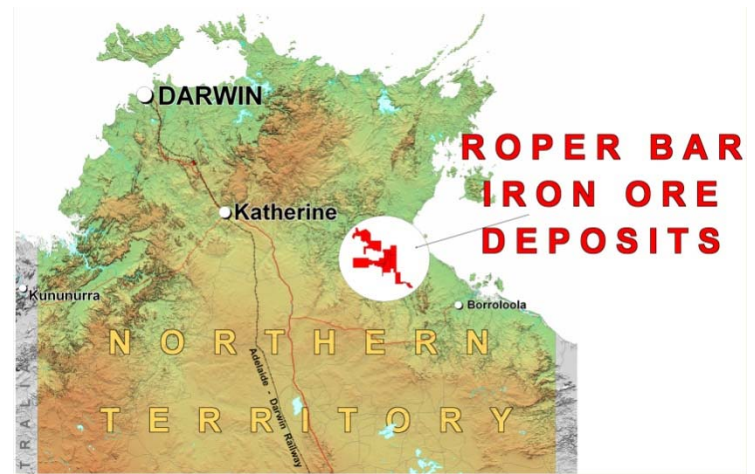
Directors	20.3%
Genesis resources	1.6%
Brent Gardner	1.5%
Wansbone Nominees	1.6%
Top 20	33.8%





## NEW AUSTRALIAN IRON ORE PROVINCE

DSO EXPORT SCHEDULED FOR 2012







## PROJECT POSITIVES

- **GOOD LOCATION:** Northern Territory Gulf country only 48 km from coast.
- **LARGE PROVINCE:** 3,000 km<sup>2</sup> tenement with 100 km<sup>2</sup> outcropping ironstone.
- **HEMATITE ORE:** Extensive, outcropping to shallow cover, very low phosphorous.
- **RESOURCE<sup>1</sup> :** Total to date 189mt including 7mt DSO & >180mt BFO.
- **INITIAL MINING:** 7mt @ 59% with lump : fines 67:33 - export in 2012.
- **BFO:** Phased development planned for the gravity separation plant
- **LOGISTICS:** Initial haul road then slurry pipeline to coast > barge to iron ore carrier.
- **DEVELOPMENT:** DSO export 2012 – BFO export 2013.
- **TARGET<sup>2</sup>:** 400-600Mt @ 40-65% Fe.

1. JORC Inferred Mineral resource from 2009 drilling.

2. The potential quantity and grade is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral resource.

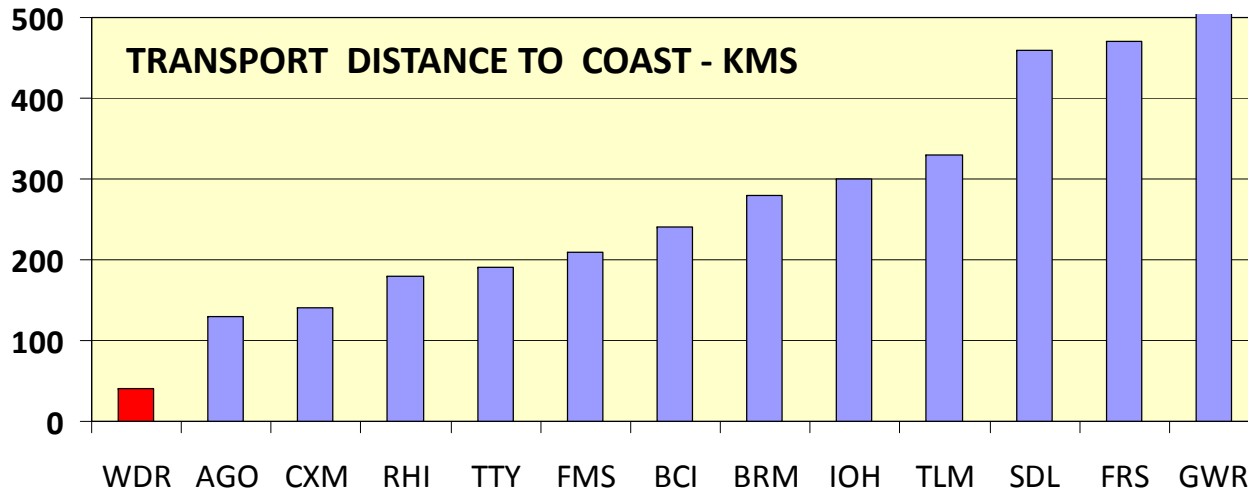
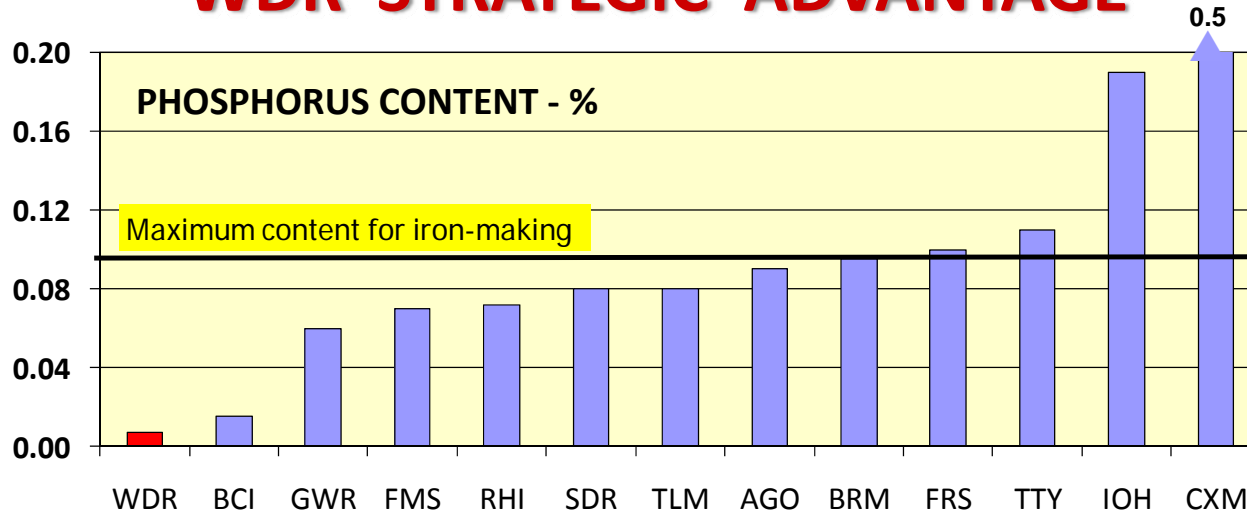


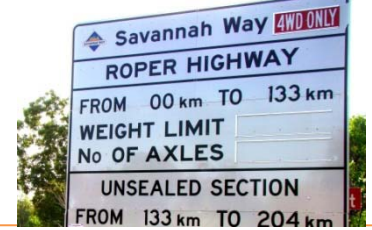
## **SKM STATUS REPORT NOVEMBER 2010**

- Available resources to sustain 20 year mine life.
- Average volume in excess of 5 Mtpa available for export.
- Low cost capital entry for DSO shipments - \$190m
- DSO Opex of \$42/tonne FOB
- Hematite concentrate Opex starting at \$31/tonne FOB
- Project produces **IRR > 25%** with scope to improve
- **NPV of \$516** million projected with upside potential
- Considerable scope for reduction of capital expenditure identified
- Resource potentially doubled with 2010 drilling results



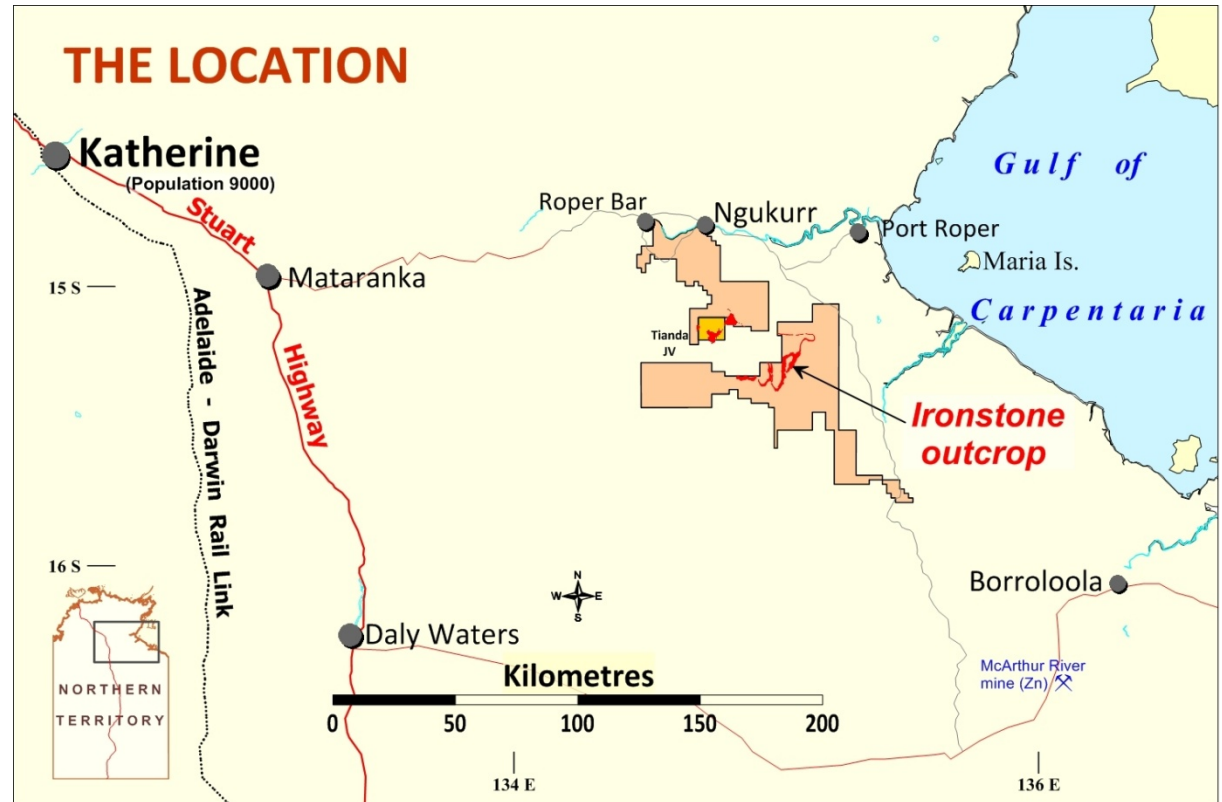
## WDR STRATEGIC ADVANTAGE





## IDEAL LOCATION

- Northern Territory
- Close to coast
- Vacant Crown land
- Flat terrain

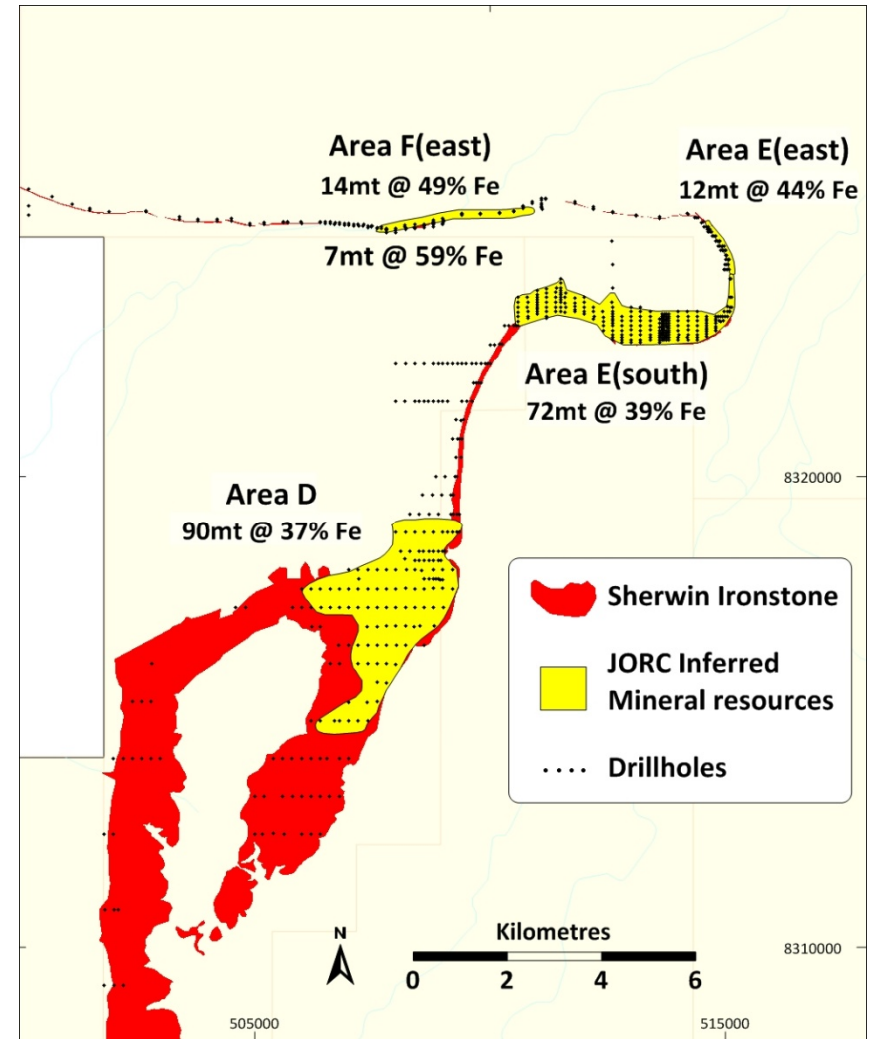






## 4 RESOURCE AREAS DEFINED

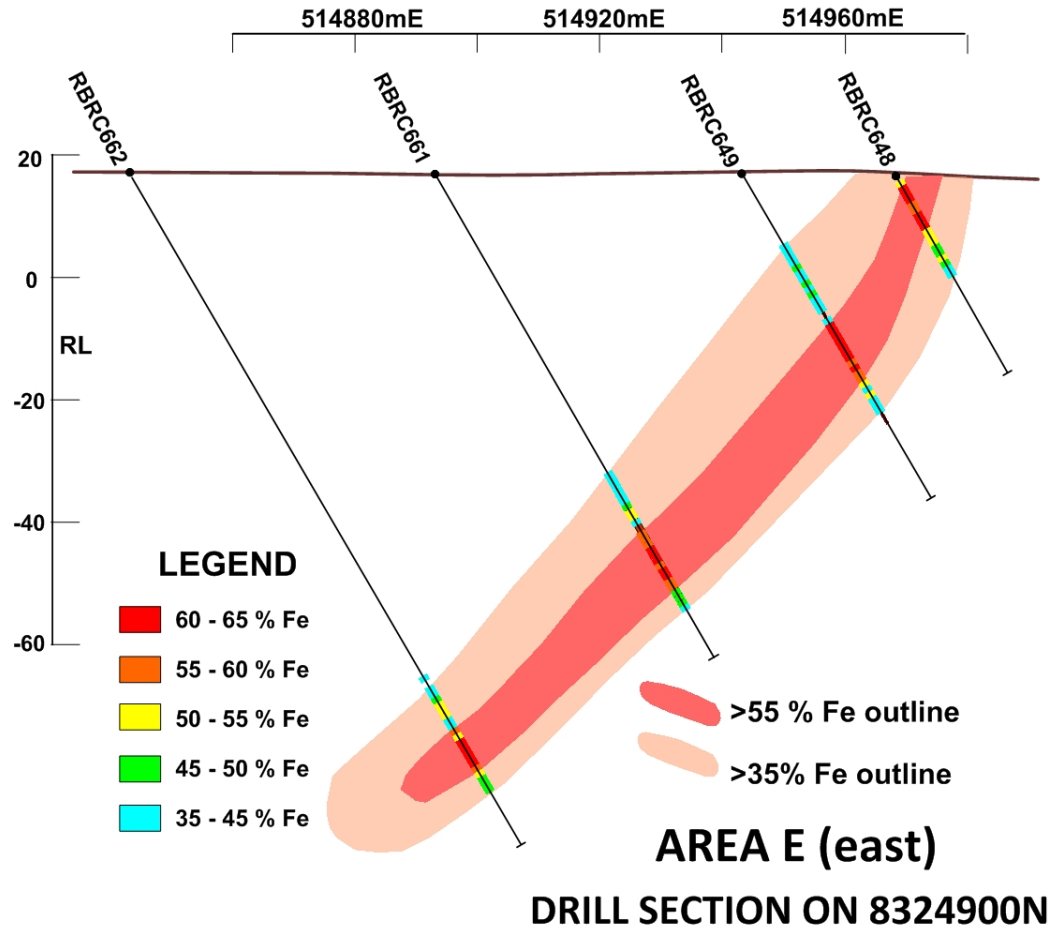
- Current Total JORC Inferred Mineral Resources of 189mt
- 7mt of Direct Shipping Ore (DSO)
- >180mt of Beneficiable Ore (BFO)
- Outcropping ore at shallow depth





**NEW HIGH-GRADE ZONE  
AREA E EAST**

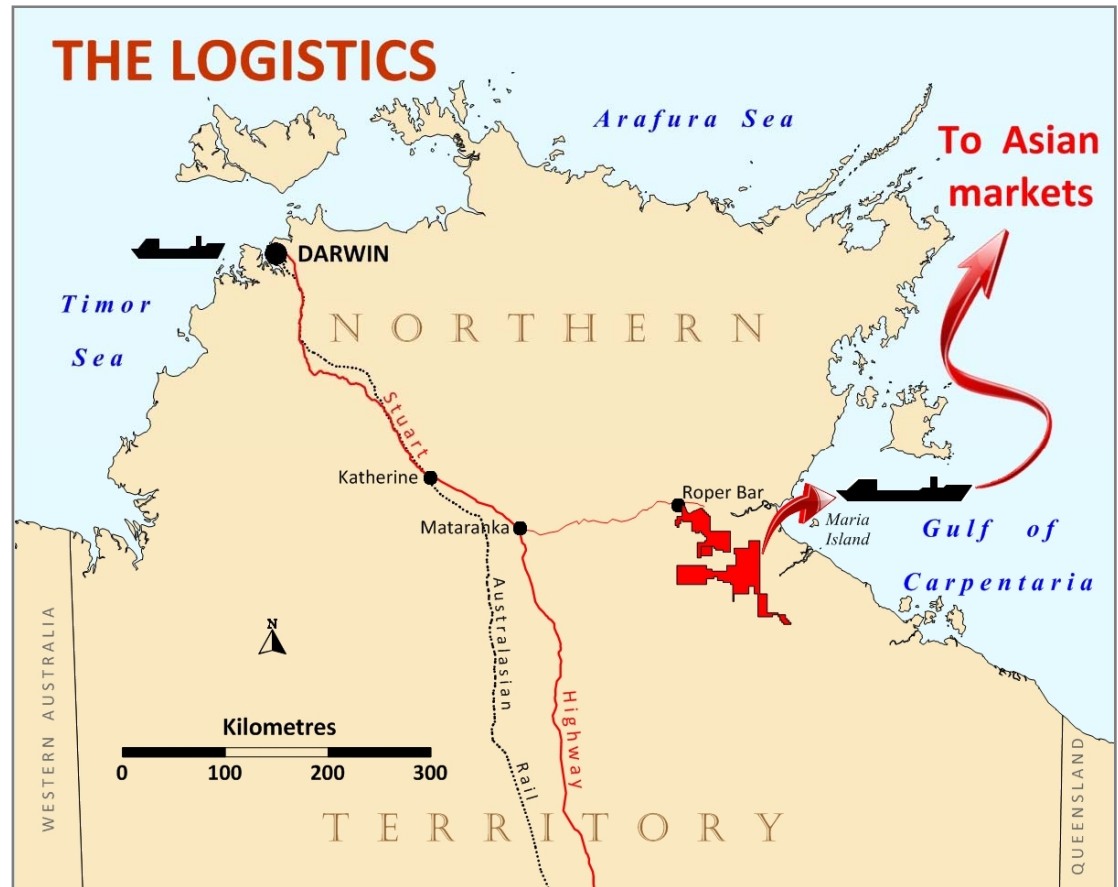
- 1.3 km strike length
- Outcropping – open pit
- Low strip ratio
- Very low P, Al
- Easy blasting
- Revised JORC resource estimate due Dec. 2010





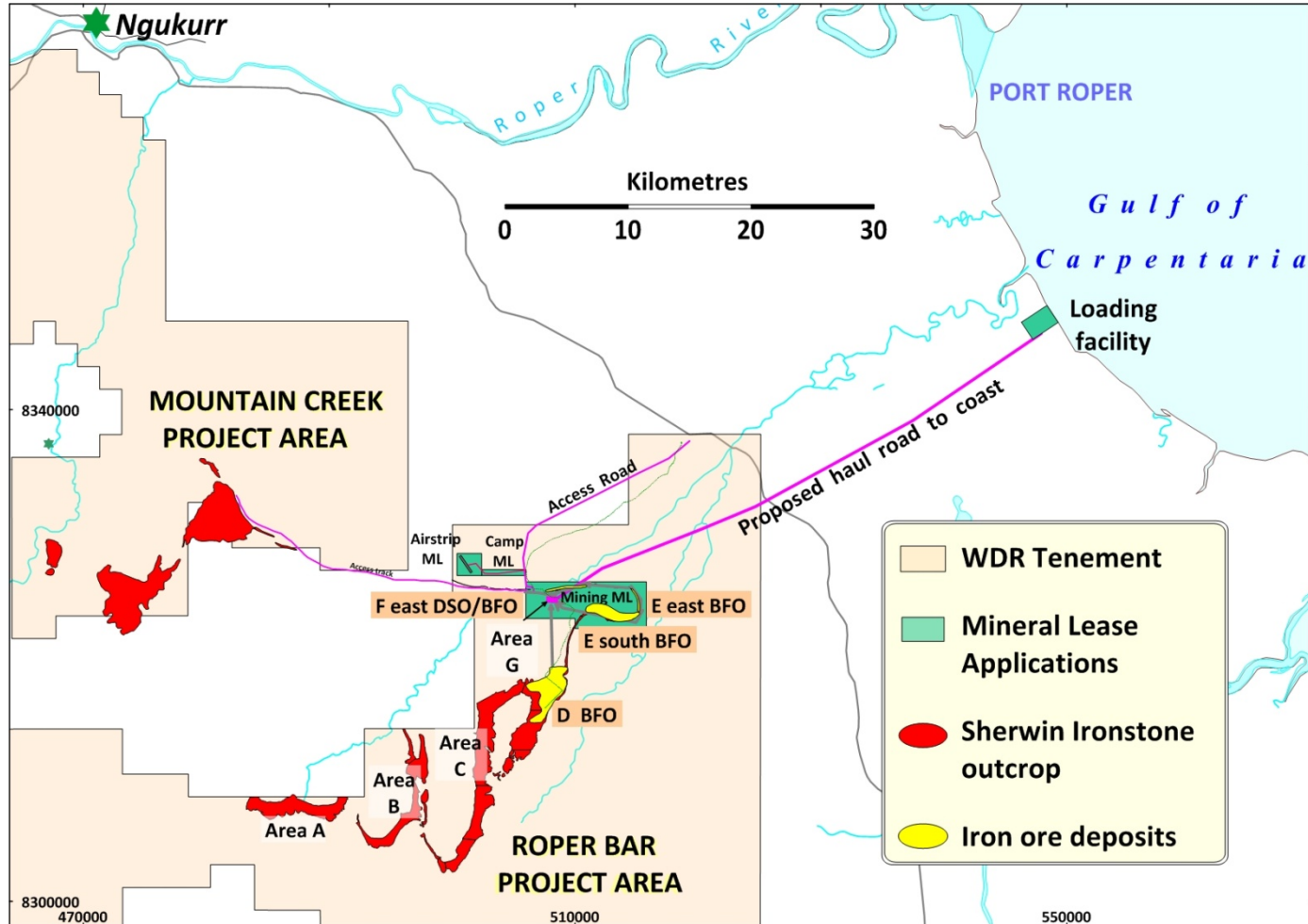
## SIMPLE TRANSPORT SOLUTIONS

- Haul truck 48 km to coast
- Barge to Cape size iron ore carrier
- Close to markets
- No 3<sup>rd</sup> parties,  
No railways,  
No bottlenecks





## INFRASTRUCTURE PROGRESS







## THE FUTURE

- Resource upgrades
- Definitive studies
- Strategic Partners
- 2011 Planning
- On-going Exploration
- Infrastructure development
- Native Title Agreement - ILUA
- Mineral Lease Grant
- Plant optimisation
- Initial site works underway





**THE PROCESS**



**MINE**



**CRUSH**



**HAUL**



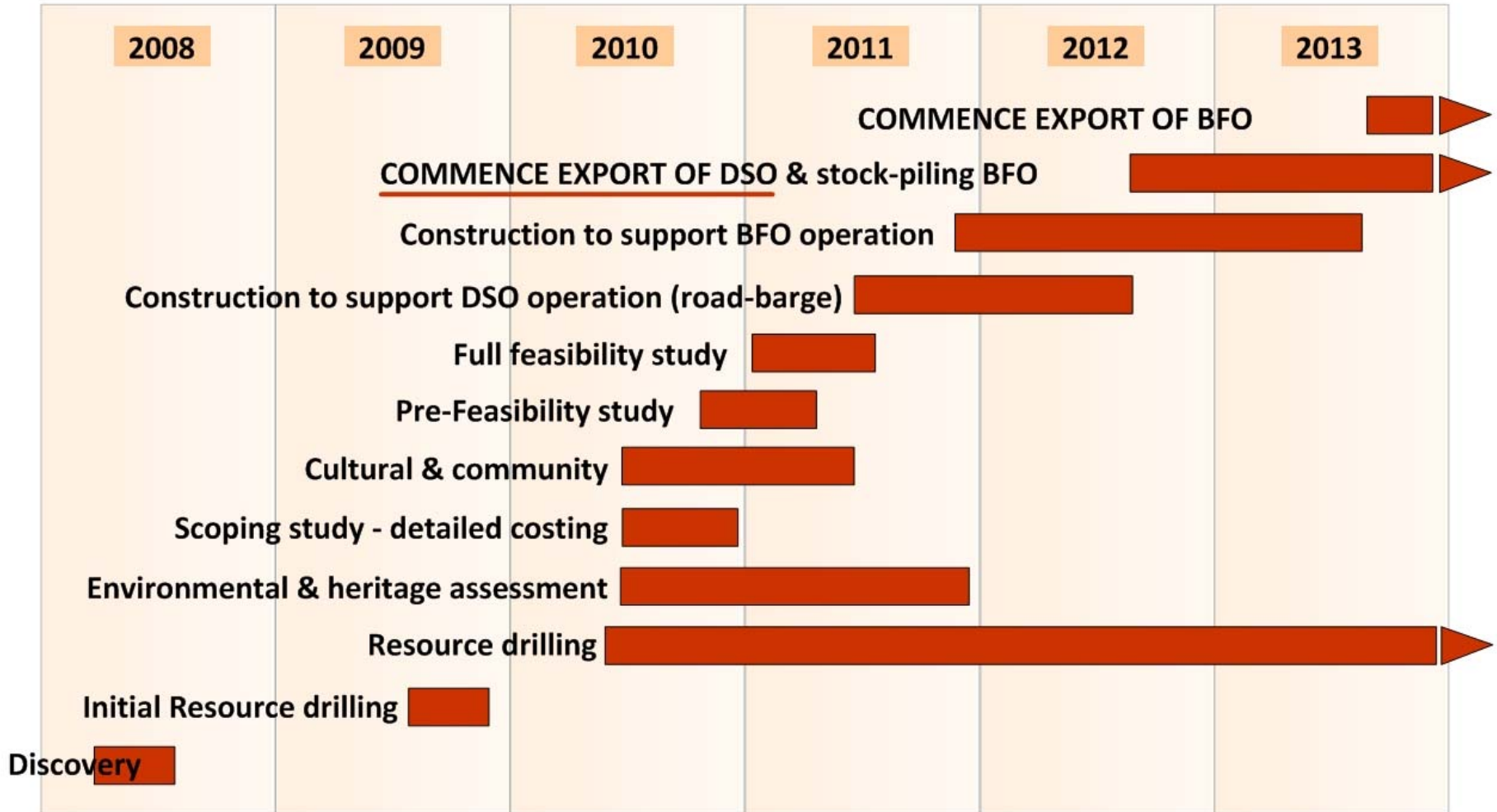
**BARGE**



**TRANS-SHIP**



## DEVELOPMENT SCHEDULE - DISCOVERY TO EXPORT IN 4 YRS





## **SUMMARY**

- **Substantial outcropping hematite ironstone**
- **Close to coast**
- **Positive Scoping study completed**
- **2009 - 3 Maiden JORC resources – 116Mt**
- **2010 – 4<sup>th</sup> JORC resource - upgrades to 189Mt**
- **2011 – Mine development**
- **2012 – Exporting DSO**
- **Exploration target 400-600Mt @ 40-65% Fe**





**THANK YOU**