

9 July 2012

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

**Western Desert Resources Limited (ASX Code: WDR)  
Notification under section 708AA(2)(f) of the Corporations Act 2001 (Cth) as  
notionally modified by ASIC Class Order 08/35 (CO 08/35)**

Western Desert Resources Limited (**WDR**) refers to the Appendix 3B lodged with ASX on 26 June 2012 and the Offer Booklet lodged with ASX on 9 July 2012 in relation to a non-renounceable pro-rata entitlement offer to eligible shareholders of WDR (**Eligible Shareholders**) on the basis of 1 fully paid ordinary share (**Share**) for every 10 Shares held at the issue price of \$0.70 per Share (**Entitlement Offer**).

WDR gives notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by CO 08/35 that:

1. The Shares being offered under the Entitlement Offer will be issued without disclosure to investors under Part 6D.2 of the Corporations Act as notionally modified by CO 08/35.
2. As at the date of this notice, WDR has complied with:
  - (a) the provisions of Chapter 2M of the Corporations Act as they apply to WDR; and
  - (b) section 674 of the Corporations Act.
3. As at the date of this notice, there is no information that is 'excluded information' within the meaning of sections 708AA(8) and (9) of the Corporations Act which is required to be disclosed under section 708AA(7)(d) of the Corporations Act as notionally modified by CO 08/35;
4. The potential effect that the Entitlement Offer will have on the control of WDR, and the consequences of that effect, are as follows.
  - (a) If all Eligible Shareholders take up their entitlements under the Entitlement Offer, the Entitlement Offer is not likely to have significant effect on the control of WDR.
  - (b) The percentage shareholding interests of WDR shareholders with registered addresses outside Australia and New Zealand will be diluted because those WDR shareholders are not entitled to participate in the Entitlement Offer.
  - (c) If Eligible Shareholders do not take up all of their entitlements under the Entitlement Offer, the percentage shareholding interests of those Eligible Shareholders may be diluted.
  - (d) Where Eligible Shareholders do not take up part or all of their entitlement under the Entitlement Offer, Shares may be offered to Eligible Shareholders who subscribe for Shares in excess of their entitlement (**Oversubscription**). To the extent that Eligible Shareholders are allotted Shares because of Oversubscription, those Eligible Shareholders may increase their percentage shareholding interests in WDR.

# WesternDesert

---

## R E S O U R C E S

---

- (e) If there is a shortfall under the Entitlement Offer, Permat Holdings Pty Ltd (**Permat**) and two directors of WDR, Norman Gardner and Michael Ashton, will be required to take up any shortfall under the terms of the underwriting arrangements entered into between WDR, Ord Minnett Limited, Permat, Norman Gardner and Michael Ashton (**Underwriting Arrangements**).
- (f) Should no Eligible Shareholders take up their entitlement, then up to a maximum of 21,881,920 Shares will be issued to Permat, Norman Gardner and Michael Ashton and their associates according to their respective proportion of underwriting commitments under the terms of the Underwriting Arrangements.
- (g) The potential effect on the control of WDR as a result of Norman Gardner, Michael Ashton and their associates taking up the full amount of their respective proportion of underwriting commitments is not likely to effect control of WDR.
- (h) The potential effect on the control of WDR as a result of Permat and its associates taking up the full amount of its proportion of underwriting commitment is that the number of Shares held by Permat and its associates will increase from 48,820,470 Shares to 68,098,441 Shares and the voting power of Permat and its associates will increase from 20.79% to 26.53%.

Yours sincerely,

**Laurie Ackroyd**  
**Company Secretary**

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO US PERSONS**