

Western Desert

RESOURCES

ASX "WDR"

ASX ANNOUNCEMENT

20 September 2013

Manager Companies,
ASX Market Announcements,
ASX Limited,
20, Bridge Street,
Sydney, NSW 2000

Dear Sir/Madam,

Investor Presentation – Market Update on Roper Bar development.

Western Desert Resources Limited (ASX: WDR) provides a copy of an Investor Presentation covering a market update on the Roper Bar Iron Ore Project development.

The presentation is being delivered by a Director of Western Desert Resources Limited in Melbourne on 20th September 2013.

Yours Faithfully,

Laurie Ackroyd
Company Secretary

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Western Desert RESOURCES



Market Update on Roper Bar development

20 September 2013





Corporate Overview - WDR (Member of ASX300)



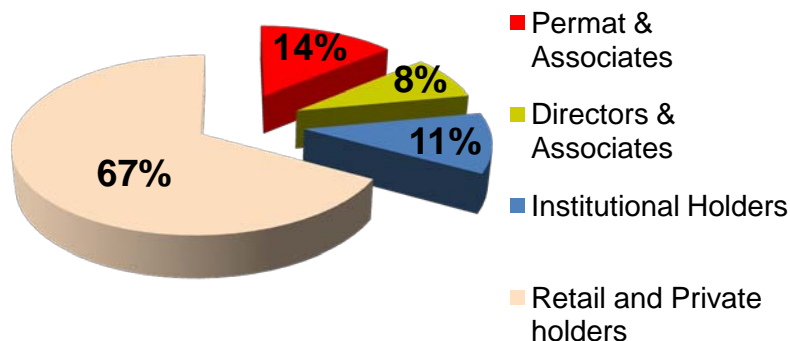
Capital Structure

ASX Code	WDR
Ordinary shares (m)	392
Share price close as at 19 Sep 2013 (A\$)	\$0.745
Market Capitalisation (\$Am)	\$292

Capital Raising Offer

Ordinary Shares on Issue 19 Sep 2013 (000's)	392,768
Underwritten Placement Shares (A\$30m @ \$0.65)	46,154
SPP Shares Offered (\$A15m @ \$0.65)	23,077
Total Potential Shares on Issue based on fully subscribed SPP & Placement	461,999

Pre-Offer Shareholders



Liquidity

Daily number of shares traded last 3 months	543,000
Daily value of shares traded last 3 months	\$371,000

Broker coverage

Source: IRESS, WDR Financials





Roper Bar – Northern Territory

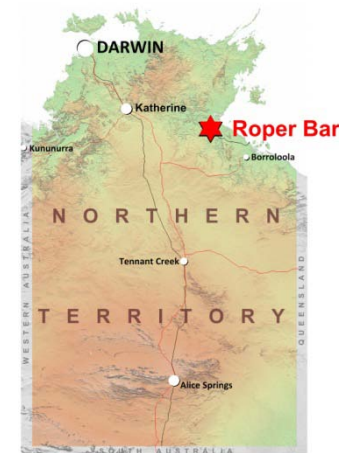
The beginning of a new iron ore precinct

Location (165km Haul Road to Bing Bong)



JORC Resources

	Mt	Fe (%)	SiO ₂	P%	Al ₂ O ₃ %	LOI%
DSO Resource						
Area F	30.8	59.0	9.9	0.01	2.5	2.0
Area E	16.6	54.2	15.9	0.01	1.2	4.0
Global Resources (includes DSO Resource)						
Measured	36.0	43.9	25.2	0.004	2.3	7.6
Indicated	107.1	40.3	28.6	0.005	2.5	8.9
Inferred	468.4	40.0	29.6	0.004	2.7	7.9
Total	611.5	40.3	29.2	0.004	2.6	8.1



1. Average Project operating cash costs are approximately A\$60/t in the first two years of production



Roper Bar Iron Ore Product

Project	100% owned Roper Bar Iron Ore Project
Production Target	3 Mtpa
High Quality Product	>60% Fe
Low impurities	0.02% Phos
High Lump : Fines Ratio	75%



Ore on ROM pad July 2013

Infrastructure advantages

Privately-owned haul road	165 km to Bing Bong facility
Port Access at Bing Bong	20 year agreement
Excess capacity at Port	60% spare capacity after WDR use
Large Stockyard	100 hectare – capacity to store & blend
Proximity to Asian markets	15% closer than most WA ports



Bing Bong loading facility

1. Average Project operating cash costs are approximately A\$60/t in the first two years of production



Track Record for Delivery

- One of the quickest Bulk Commodity Mines ever developed in Australia in last two decades.
- First shipment in less than 2 years from lodging EIS and including:
 - ✓ All Native Title Agreements
 - ✓ Logistics Negotiations
 - ✓ Development of Private Haul Road
 - ✓ Development of Mine & Port works on schedule & on budget





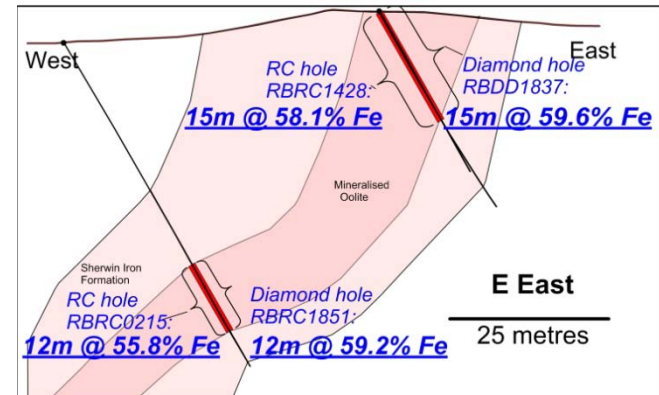
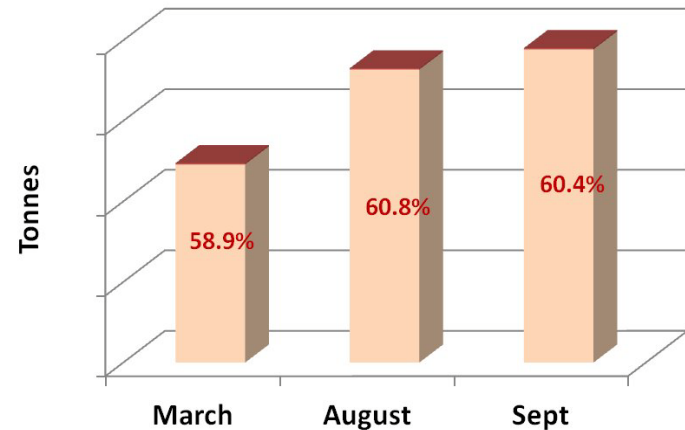
Resource trending above modelling

Initial mining demonstrates Direct Shipping Ore (DSO) grade is thicker and higher grade than anticipated. A 19% increase in DSO grade tonnage and a 2.5% (relative) increase in DSO Fe grade have been estimated from the initial mining area after grade control drilling¹.

Twinning of reverse circulation (RC) drill holes with diamond holes indicates potential for production grades to be higher than anticipated.

Further updates on model from Grade Control drilling are expected before first shipment.

Relative increase in tonnes, and Fe grade Pit F East
509500 - 510000mE RL>-5m



1. This is a WDR in-house block model calculation. Refer Disclaimer for further information.



World Class Partnerships

- Recently announced 5 year Off Take Agreement with Noble Resources, one of the world's largest commodity traders.
- All product produced by WDR in first 5 years is pre-sold to Noble at prevailing Platts spot price at the time.
- Macquarie Bank have provided all Project funding for the completion of the development.
- WDR fully funded for all development & working capital following completion of capital raising
- Less than 70 days to first shipment





Investment Highlights

- One of the lowest Capital cost per annual tonnes of production mines in Australia.
- Total capital cost is AUD\$60m per 1 million tonnes of annual production; average in WA is AUD\$180-200m per 1 million tonnes of production.
- Low debt per 1 million tonnes of annual production – AUD\$28m for CAPEX; WA peers average 3 times more*.
- Expected OPEX for cash costs of less than AUD\$60 per tonne for first 3 years of DSO operation. Fully funded for all development & working capital

* Subject to placement.





Beneficiable Ore (BFO)

- **600mt of 40% ore in resource¹ – after drilling on 20% of tenements**
- **Exploration target² over all tenements: 2 – 2.5 billion tonnes @ 40% - 60% Fe**
- **Metallurgical testwork has identified Flotation as appropriate beneficiation technique**
- **Latest test results show flotation is extremely efficient at rejecting silica in Roper Bar oolitic ore**
- **Flotation is increasingly being used in Australia & South America to treat lower-grade ores**
- **Energy and consumables for flotation circuit expected to be in bottom 30% of OPEX cost curve**
- **Export proposed via 50 km slurry pipeline to Roper River**
- **Expect CAPEX for Stage 2 to be similar per tonne of annual production as Stage 1**

1. Resource is JORC code compliant total Inferred, Indicated and Measured Mineral Resource estimate

2. This exploration target is an estimation based on drilling, surface sampling, geochemical assays, geological mapping, and interpretation of detailed aeromagnetic surveys. 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.



Summary Information

This Presentation contains summary information about WDR and its activities current as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all of the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. This Presentation should be read in conjunction with WDR's other periodic and continuous disclosure announcements lodged with ASX, which are available at asx.com.au or at westerndesertresources.com.au.

Not Financial Product Advice

This Presentation is for information purposes only and does not constitute financial product or investment advice or a recommendation to acquire WDR shares. This Presentation has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their objectives, financial situation and needs and seek professional advice.

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Third Party Information

Some of the information contained in this Presentation was obtained from third party sources. None of that information, nor any other information in this Presentation, has been independently verified, and this Presentation was not prepared with the intention that any person would rely on that information.

Geological Information

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.

Competent Person's Statement

The information in this Presentation that relates to Mineral Resources is based on information compiled by Mr Aaron Meakin and Mr Andrew Bennett. Mr Aaron Meakin is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Aaron Meakin has sufficient experience relevant to the styles 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC code). All work relating to the estimation of mineral resources has been carried out under the supervision of Mr Aaron Meakin. Mr Andrew Bennett is a full-time employee of WDR and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Andrew Bennett has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 edition of the JORC code. All work relating to the classification of mineral resources has been carried out under the supervision of Mr Andrew Bennett. Mr Aaron Meakin and Mr Andrew Bennett consent to the inclusion of this information in the form and context in which they occur.

The information in this Presentation that relates to Exploration Results is based on information compiled by Graham Bubner who is a Member of the Australian Institute of Geoscientists. Mr Bubner is a full-time employee of WDR and has sufficient experience relevant to the styles of mineralisation under consideration and to the subject matter of the report to qualify as a Competent Person as defined in the 2004 edition of the JORC code. Mr Bubner consents to the inclusion in the Presentation of the matters based on his information in the form and context in which they occur.

Ore Reserves and Mineral Resources Reporting Requirements

Investors should be aware that as an Australian company with securities listed on ASX, WDR is subject to Australian disclosure requirements and standards, including the continuous disclosure requirements of the Corporations Act and the ASX. Investors should also note that it is a requirement of the ASX Listing Rules that the reporting of ore reserves and mineral resources in Australia comply with the JORC Code.

Grade Control Data Collection

Drill data is based on 10 x 10m grade control pattern from surface to 0 RL within the host Sherwin Iron Formation. Samples are collected and assayed at one metre intervals sent to Bureau Veritas in Darwin. Samples are collected mostly dry from a rotary cone or riffle splitter and both duplicates and certified reference standards are inserted for quality control every 25 samples. Collars are determined by differential GPS and a downhole survey is performed at the completion of each hole. All validated geological and analytical data is recorded and stored in a secure SQL server. Geological boundaries are accurately interpreted by mine geologists on each section and block estimation has been performed using Ordinary Kriging by CSA Global consultants. Densities have been measured in situ (wet) using a calibrated downhole density probe (operated by Borehole Wireline) and independently tested using water immersion techniques.