

Western Desert Resources, a diversified resources business with a portfolio of quality mineral exploration assets in the Northern Territory.

Western Desert Resources' vision is to be the leading low-cost iron ore producer in Northern Australia while generating wealth and prosperity for the people of the Roper and other regions where we operate.

FAST FACTS

ASX Code	WDR
Issued Shares	410m
Market Cap	A\$324M

DIRECTORS

Rick Allert	Chairman
Norm Gardner	MD
Mick Ashton	Director
Graham Bubner	Director
Phillip Lockyer	Director
Scott Perrin	Director

COMPANY HIGHLIGHTS

Iron Ore

- Roper Bar & Mountain Creek projects (NT)
- Hematitic iron ore
- Total Inferred, Indicated & Measured Mineral Resource estimates of 611Mt @ 40% Fe including DSO grade of 47.4Mt @ 57.3% Fe
- Low impurities
- Mine development underway
- Proximity to coast and markets

Gold / Copper

- East Roper Project near Tennant Creek (NT)

CONTACT DETAILS

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MORE ORE AT ROPER BAR IRON ORE PROJECT – ZABEEL PIT

Key Points:

- Grade Control drilling demonstrates Direct Shipping Ore (DSO) grade is thicker and higher grade than anticipated at Zabeel Pit.
- A 9% relative increase in DSO grade has been estimated from the initial mining area¹.
- Project remains on schedule for first export of DSO in current quarter.

The Directors of Western Desert Resources Limited (ASX: WDR) are pleased to announce that further grade control drilling at the Roper Bar Iron Ore mine has continued to reveal higher Fe grades and increased thicknesses of DSO grade material¹ than predicted from pre-mining block models.

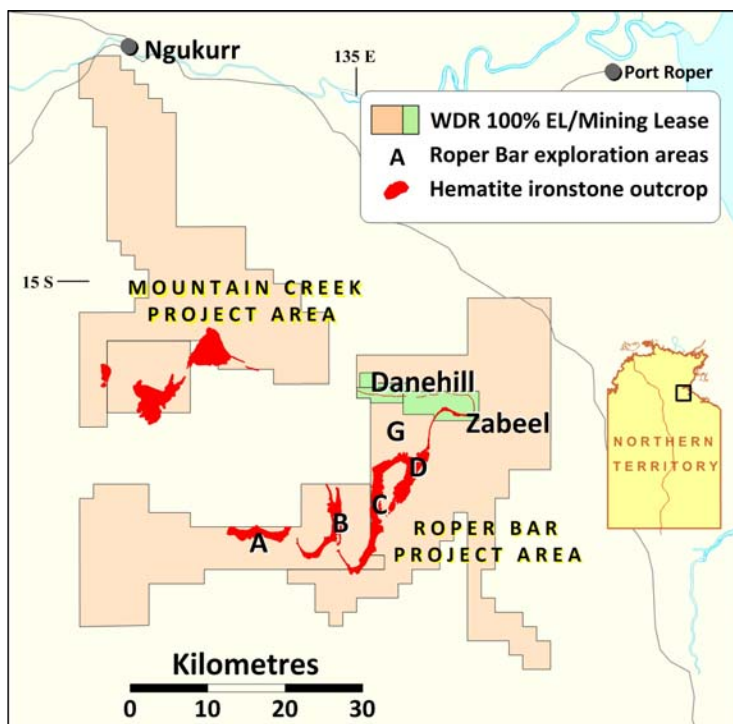


Figure 1. Roper Bar Iron Ore Province plan showing location of Danehill and Zabeel mining pits.

¹ This is a WDR in-house block model calculation. Refer Disclaimer on page 6 for further information.

Thicker and higher DSO grade was previously reported for the Danehill Pit (within Area F East) in ASX release dated 16th September 2013. Now, results from grade control drilling at the Zabeel Pit (within Area E East) demonstrate similar positive results. Figure 2 is a plan of the mining areas.

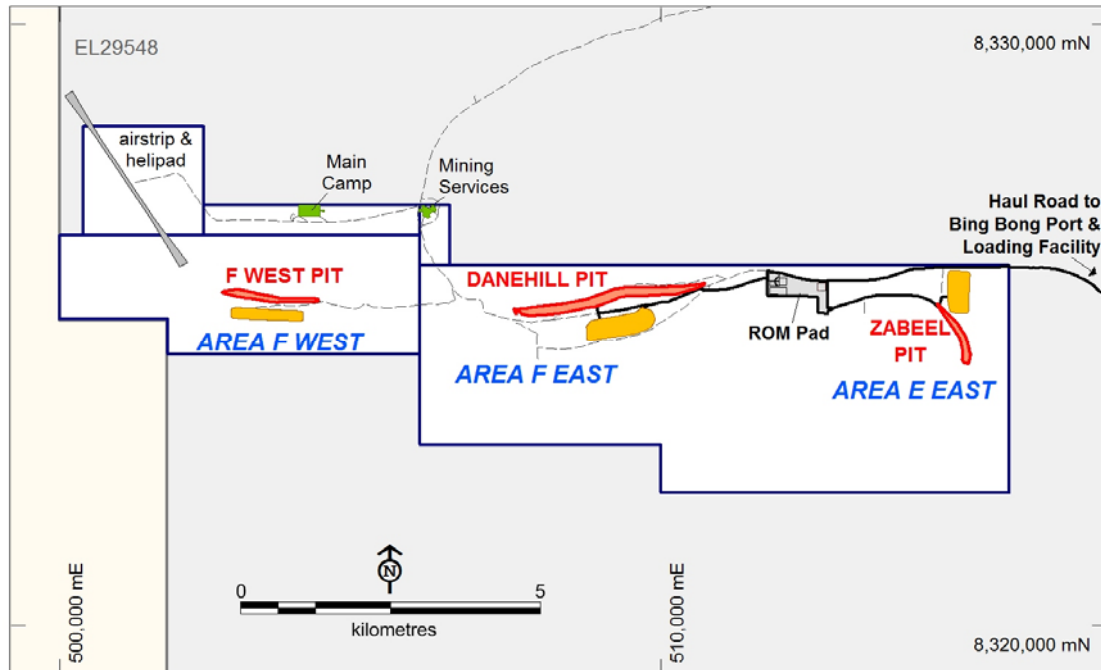


Figure 2. Roper Bar minesite area.

Compilation of a grade control block model for the Zabeel Pit points towards high grades being conservatively estimated in the published Mineral Resource at Area E East. The relevant findings are:

- Initial grade control drilling has shown that Fe grades are higher than predicted from the pre-mining Zabeel Pit block model. Refer graph in Figure 3.
- The more detailed grade control model shows the ore zone is flattened near the surface, producing more tonnes per vertical metre in early mining. This is illustrated in cross section in Figure 4.
- Localised folding in the DSO grade and high grade BFO (Beneficiable Ore) units has resulted in thickening of the ore zones. The application of a smaller block size in the grade control model enables better representation of the thickening.

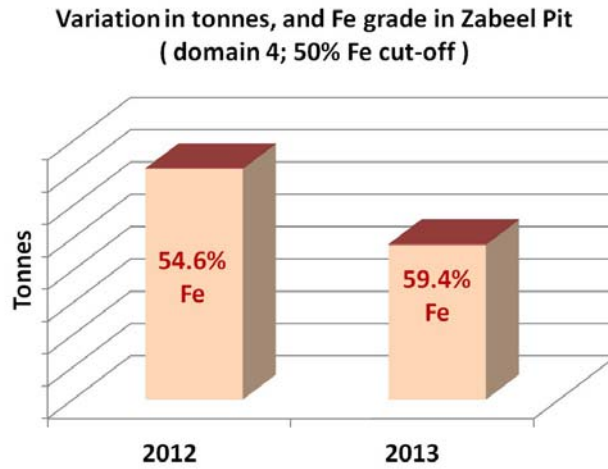


Figure 3. Graph of variation in tonnes and grade at 50% Fe cut-off between published resource model (2012) and grade control model (2013) in identical part of Zabeel Pit (8325095N to 8325345N and >0RL).

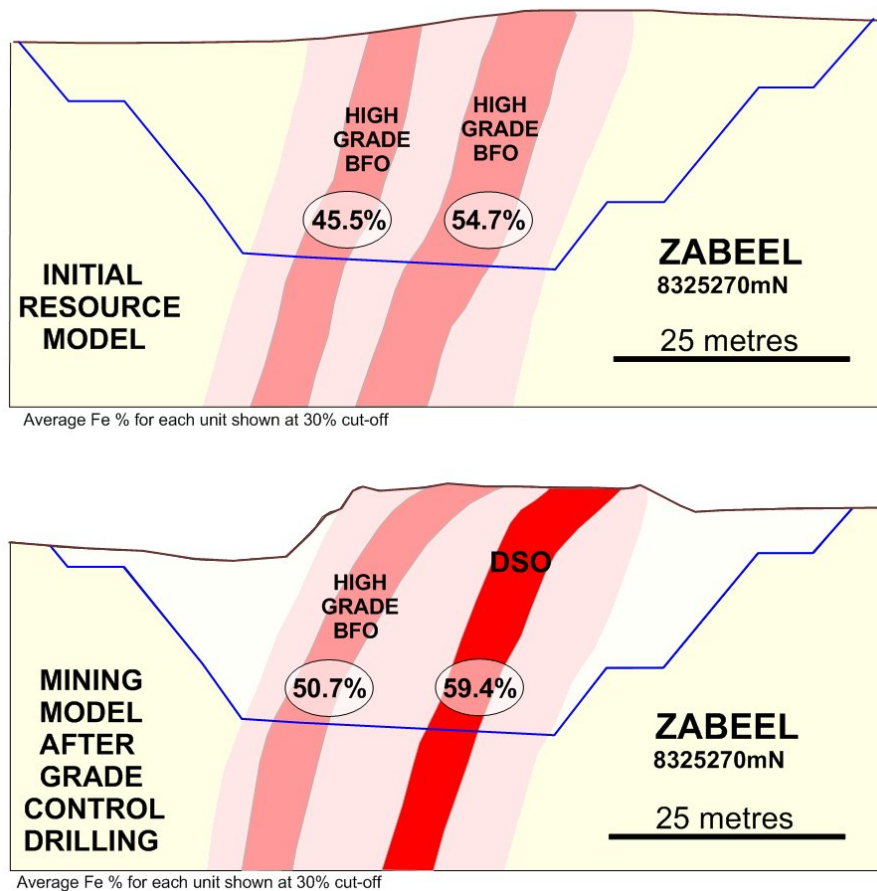


Figure 4. Cross section from Zabeel Pit showing the ore zone grade and geometry from the initial resource model (top) and from recent grade control drilling (bottom). The Fe grades shown are averaged for a model using a 30% Fe cut-off.

WDR Managing Director Mr Norm Gardner said “This is another excellent result, whilst we have had suspicion for some time about under reporting grade, it is great to finally confirm with a robust grade control model. The additional grade has the potential to significantly change the economics of the initial DSO grade stage of the project, and extend our DSO grade mine life.”

Works at the Roper Bar Iron Ore Project continue as scheduled, with first export of DSO grade material expected in the current quarter. Photographs of current works are included in Figures 5 and 6. More photos can be viewed on WDR’s website at www.westerndesertresources.com.au



Figure 5. Mining operations at Danehill Pit; ROM pad.



Figure 6. WDR privately-owned haul road from minesite to Bing Bong export facility.

Background

The Roper Bar Iron Ore Province covers about 1,800 km² within four granted exploration licenses in the Northern Territory and includes an estimated 100 km² of outcrop of the target Sherwin Formation which hosts extensive hematite iron ore horizons. The Province is divided into two project areas – Roper Bar and Mountain Creek.

JORC Code Compliant Mineral Resource Estimates from WDR's Roper Bar Project (30% Fe Cut-off)

DEPOSIT AREA	Classification	Mt	Fe %	SiO ₂ %	P %	Al ₂ O ₃ %	LOI %	Published
Area D	Inferred	90.7	37.2	31.5	0.008	3.2	9.6	Oct-09
Area D (north)	Inferred	116.5	40.3	26.3	0.002	2.2	11.0	Feb-11
Area E (south)	Inferred	17.5	36.1	30.8	0.003	2.4	12.4	Jun-12
Area E (south)	Indicated	75.8	38.7	29.9	0.005	2.6	9.9	Jun-12
Area E (east)**	Inferred	27.6	41.0	26.3	0.004	1.8	10.2	Jun-12
Area E (east)**	Indicated	15.6	41.2	26.3	0.004	1.9	10.0	Jun-12
Area E (east)**	Measured	28.3	42.2	26.4	0.004	2.0	8.9	Jun-12
Area F (east) *	Inferred	216.1	41.3	31.0	0.004	2.9	4.9	Apr-13
Area F (east) *	Indicated	15.7	47.3	24.9	0.006	2.7	3.0	Apr-13
Area F (east)*	Measured	7.7	50.0	20.8	0.005	3.4	2.7	Apr-13
TOTAL		611	40.3	29.2	0.004	2.6	8.1	

* Includes DSO grade of 30.8Mt @ 59.0% Fe, 9.9% SiO₂, 2.5% Al₂O₃, 0.01% P and 2.0% LOI

** Includes DSO grade of 16.6Mt @ 54.2% Fe, 15.9% SiO₂, 1.2% Al₂O₃, 0.01% P and 4.0% LOI

Competent Person's Statements

The information in this report 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 Western Desert Resources Pty Ltd 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 Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (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 report 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 Western Desert Resources Ltd 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 Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC code). Mr Bubner consents to the inclusion in the report of the matters based on his information in the form and context in which they occur.

The information in this document that relates to Proven and Probable Reserves at Roper Bar Iron Ore Mine is based on a mine plan, a mine schedule and costs prepared by The Minserve Group Pty Ltd. Mr Jeff Jamieson was responsible for the Reserve Statement preparation. He is both a Fellow of the Australian Institute of Mining and Metallurgy, and a Chartered Professional (Mining) and is a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jamieson consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

Data and methods used to complete the grade control block model.

Drill data is based on 10 m x 10 m grade control pattern from surface to 0 RL within the host Sherwin Iron Formation. Samples are collected at one metre intervals and sent to Bureau Veritas in Darwin for analysis. 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 grade interpolation has been completed using Ordinary Kriging by CSA Global Pty Ltd. Densities have been measured insitu (wet) using a calibrated downhole density probe (operated by Borehole Wireline Pty Ltd) and independently validated using water immersion techniques.