

30 May, 2012

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

Western Desert Resources' business is built on the exploration of its substantial portfolio of iron ore, gold, base metals and uranium projects in the world-class mining provinces of Australia and will continue to grow through the generation and acquisition of new opportunities and resources.

FAST FACTS

ASX Code	WDR
Issued Shares	219m
Market Cap	A\$224M

DIRECTORS

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

COMPANY HIGHLIGHTS

Iron Ore

- Roper Bar & Mountain Creek projects (NT)
- Hematite iron ore
- Total Inferred, Indicated and Measured Mineral Resource estimates of 352.6Mt @ 40.2% Fe including DSO grade of 28.4Mt @ 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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NT GOVERNMENT DECLARES MAJOR PROJECT STATUS FOR ROPER BAR IRON ORE PROJECT

Western Desert Resources (WDR) advises that The Chief Minister of the Northern Territory, The Honourable Mr Paul Henderson, announced yesterday Major Project Status for WDR's Roper Bar Iron Ore Project.

The project, located about 60km south of Ngukurr, has a resource base of 352 Mt at 40%Fe including a DSO grade component of 28Mt @ 57.3% Fe.

This is another milestone in the in the short history of the project, and follows the recent signing of a Mining Agreement with the Northern Land Council and Native Title Holders.

In addition to the native title agreement, WDR has entered into a 20-year agreement with Mount Isa Mines which will provide access to export iron ore through a loading facility at Bing Bong.

Mining is expected to begin in 2013 and has the potential to produce up to 24Mt of iron ore over an eight-year period.

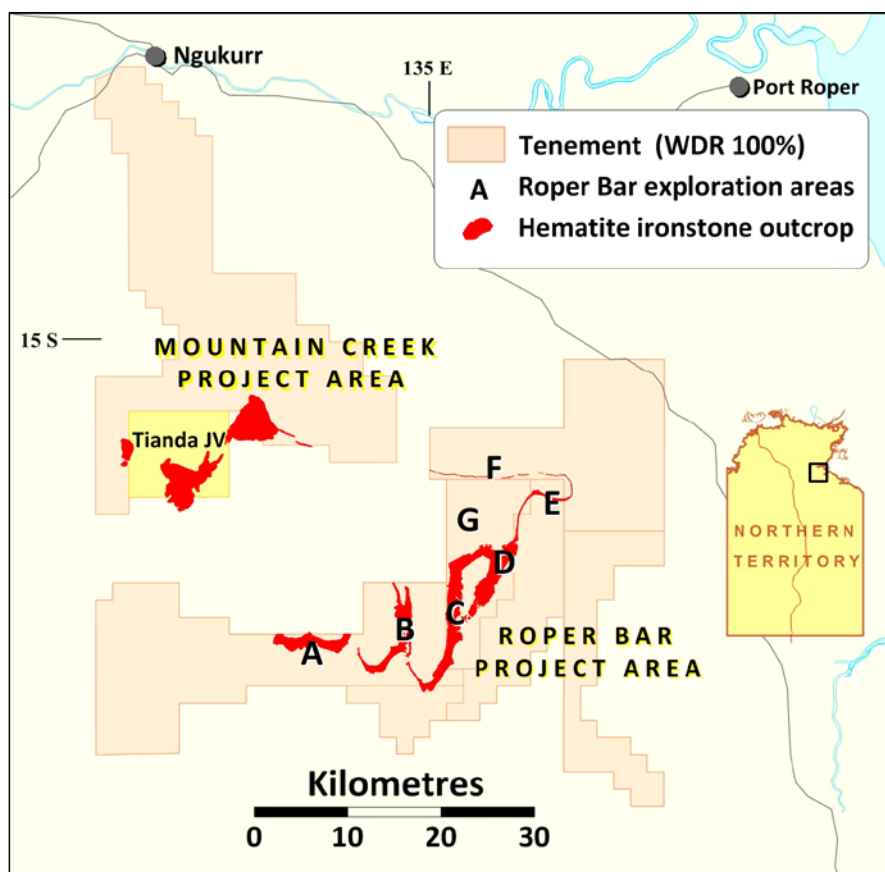


Figure 1. Roper Bar Iron Ore Province location plan

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Mr. Norm Gardner, Managing Director of WDR said “We are pleased to receive the support of the government in acknowledging the significance of this project, and the long term benefits it will bring to the Territory. The announcement compliments the recent agreements covering infrastructure and Native Title. The remaining regulatory processes, including environmental impact statement are progressing well, and we are confident that export of DSO grade iron ore will commence in mid 2013.”

The Chief Minister, Mr. Henderson said “This proposed project will provide a significant economic boost to the region and create jobs and training opportunities never before seen in the region.”

“The project will be required to meet the high environmental standards required by the Northern Territory Government and subject to all necessary environmental clearances and approvals.”

“We’ve made the decision to award Major Project status to this project to ensure all arms of Government are working together to capitalise on the huge economic benefits this project will bring.”

“This agreement will ensure the Roper Bar region benefits from the project and will include a local industry participation plan to ensure local businesses are engaged, a community benefits package, and secure open access to shared infrastructure.”

“It’s is part of our Territory 2030 strategy to support the continued contribution of the resources sector to the Northern Territory economy.”

Benefits from the proposed project include:

- Long-term benefits for the Northern Territory economy through royalties, as well as delivering immediate outcomes such as employment, business and service opportunities and social enterprise
- Long-term benefits for local communities within the project’s footprint – Borroloola, Minyerri, Ngukurr and Numbulwar – through Indigenous participation strategies and economic growth opportunities
- Involvement from local authorities, such as the Northern Land Council, in preserving cultural heritage and environmental management.

Chief Minister Henderson said as a designated Major Project of significance to the Northern Territory, the Territory Government and Western Desert Resources will now work to finalise a Project Development Agreement.

Protection of Roper Region’s unique environment is a shared goal of the Territory Government and Western Desert Resources. The project falls outside the boundaries of the proposed Limmen National Park.

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Background

The Roper Bar Iron Ore Province covers about 1,900 km² within eight granted exploration licences 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 Mineral Resource estimates from WDR's Roper Bar Project (30% Fe cut-off)

DEPOSIT	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	72.1	39.0	30.6	0.010	2.9	8.6	Nov-10
Area E (east)**	Inferred	16.1	41.2	26.8	0.004	1.8	9.7	May-12
Area E (east)**	Indicated	9.6	41.9	26.2	0.004	1.9	9.3	May-12
Area E (east)**	Measured	17.4	43.4	25.0	0.004	1.8	8.6	May-12
Area F *	Inferred	5.5	46.6	22.7	0.006	2.7	6.1	Feb-12
Area F *	Indicated	24.6	49.3	22.0	0.006	3.2	2.6	Feb-12
TOTAL		352.6	40.2	28.1	0.006	2.6	9.3	

* Includes DSO grade of 15.5Mt @ 59.5% Fe, 9.6% SiO₂, 2.2% Al₂O₃, 0.01% P and 2.1% LOI

** Includes DSO grade of 12.9Mt @ 54.7% Fe, 15.4% SiO₂, 1.2% Al₂O₃, 0.01% P and 3.9% LOI

Competent Person's Statements

The information in this report 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 relevant to the styles of mineralisation and type of deposit under consideration 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). Sharron Sylvester consents to the inclusion of this information in the form and context in which they occur.