
PROJECT FINANCE APPROVAL FOR ROPER BAR IRON ORE PROJECT

Key Points:

- **Macquarie Bank to provide all remaining Project Debt Finance for new Australian iron ore mine.**
- **Roper Bar Project remains on budget and on schedule for first export of DSO grade in 2013.**

The Directors of Western Desert Resources Limited (**ASX: WDR**) are pleased to announce the signing of an agreement for Macquarie Bank to provide all remaining debt finance for the Roper Bar iron ore mine in the Northern Territory.

Acceptance of the debt facility will finance completion of the Stage 1 Direct Shipping Ore (DSO) grade mining operations for the Roper Bar Iron Ore Project.

The Macquarie Bank facility follows Western Desert's appointment last month of Noble Resources International Pte Ltd as off-take partner for the 3 mtpa Roper Bar DSO grade project. The Noble agreement included provision of a revolving credit facility for working capital.

Western Desert Chairman, Mr Rick Allert, said today: "This debt finance agreement with Macquarie Bank is a vital step in our drive to become a new Australian iron ore exporter in 2013. We have been pleased with the interest and support shown for our project from the major banks in Australia which has led to this important outcome."

Managing Director, Mr Norm Gardner said: "We were fortunate to receive credit approved offers from various Australian banks in what has been a very competitive financing process. We have accepted one of the offers, with settlement due this month and which will fund the completion of Roper Bar construction to development stage through to production."

"This facility - plus the facility available to us from our off-take partner, Noble - means Western Desert is fully funded for all of our requirements. We expect the first shipment of our product in less than 90 days. Importantly, we also remain on budget for completion of construction," Mr Gardner said.

CONTACT: Norm Gardner, Managing Director
Western Desert Resources 0418 897466

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	393m
Market Cap	A\$282M

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

Level 1, 26 Greenhill Rd
WAYVILLE, SA, 5034
T: +61 8 8177 8800
info@westerndesertresources.com.au

ABN: 48 122 301 848

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. Refer Figure 1.

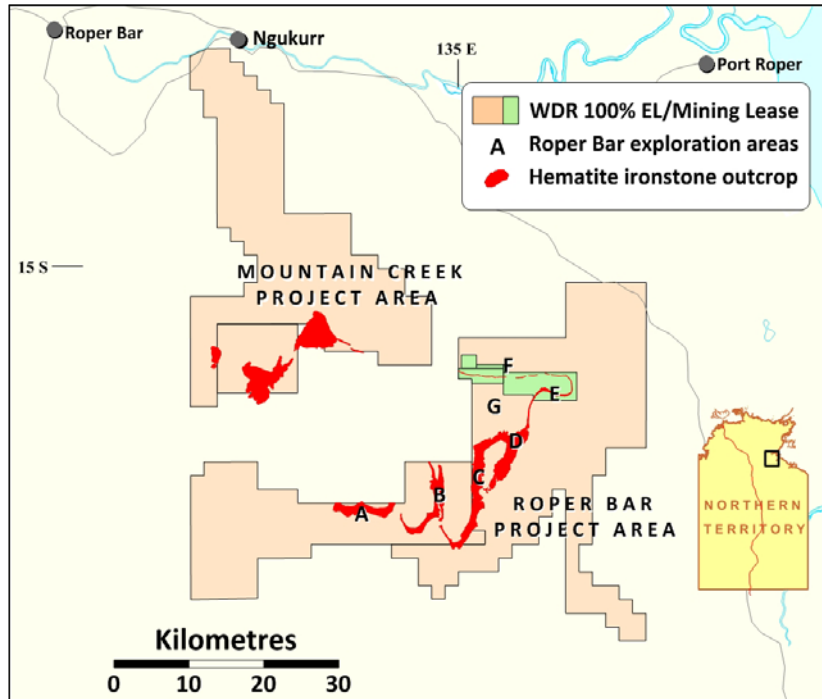


Figure 1. Roper Bar Iron Ore Province location plan

The initial mining areas and infrastructure are shown in Figure 2 below.

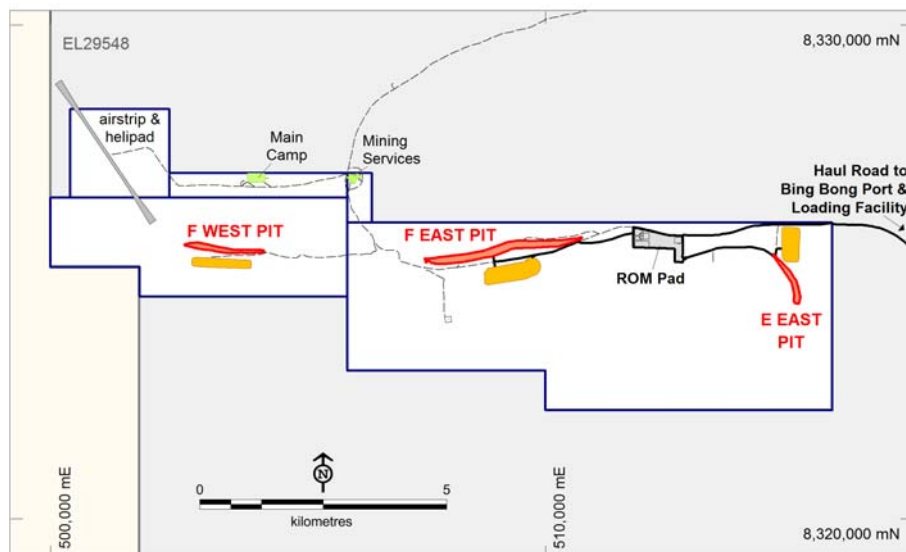


Figure 2. Map of Mining Leases showing initial open pit mining operations and infrastructure layout.

Works at the Roper Bar Iron Ore Project continue as scheduled, with first export of DSO grade expected in 2013. Photographs of current works are included below. More photos can be viewed on WDR's website at www.westerndesertresources.com.au



Mining operations at F East pit; ROM pad



WDR's privately-owned haul road to Bing Bong loading and export facility

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**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 *	Inferred	216.1	41.3	31.0	0.004	2.9	4.9	Apr-13
Area F *	Indicated	15.7	47.3	24.9	0.006	2.7	3.0	Apr-13
Area F*	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

Assays completed on dry samples. Tonnages mainly based on wet densities; moisture content estimated at 4.5%.

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 Minserv 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.