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**Large Calcrete Uranium
Exploration Portfolio In
Western Australia**

Website

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**CAMEL HILLS JOINT VENTURE PROPOSAL
ADVANCING**

**DRILLING APPLICATIONS LODGED FOR URANIUM
AND GOLD TARGETS**

Camel Hills Project, Proposed Joint Venture, Western Australia

The Directors are pleased to report on progress on the proposed Camel Hills Joint Venture. Details of discussions between Desert Energy Limited and Aurora Minerals Limited (Aurora) for a new proposed joint venture on Aurora's 100% owned Camel Hills Project were announced on 4 February 2010. The proposal is to be put to a vote of shareholders of both Desert Energy and Aurora.

Preparation of all necessary documentation is progressing well and the notices of general meeting will shortly be lodged with the regulatory authorities for review, to be followed by mailing to all shareholders. The JV agreement is approaching finalisation and will then be forwarded to the Minister for Mines and Petroleum for approval of the transaction, which is required as it relates to many tenements in their first year of licence.

Under the proposal Desert Energy can elect to earn a 70% interest in the Camel Hills Project by sole funding all the way through to production of a Bankable Feasibility Study (BFS) for development on the project area. Aurora could then choose whether to contribute half of the cost of the BFS to remain on 30% or not to contribute and have a 25% interest.

Desert Energy and Aurora and their respective lawyers have negotiated to allow for an interim step in the joint venture agreement whereby Desert Energy can earn a 51% interest by sole funding the first \$3.7 million of exploration expenditure within a maximum of 5 years from the commencement of the joint venture, though Desert Energy may choose to spent faster than this. The \$3.7m earn-in amount is the same as the valuation of the tenements by the independent geologist.

Following the earning of a 51% interest Desert Energy will have the choice of continuing to sole fund the joint venture to earn a 70% interest by producing a BFS for a development at Camel Hills having

at least a net present value of A\$50 million, within 7 years of the commencement of the joint venture. Aurora would then have a 30% interest on the terms previously announced.

Alternatively if Desert Energy elects to remain on 51% then it and Aurora would have the option of contributing to joint venture funding, with Aurora having a 49% interest.

Desert Energy will commit to making \$1.5 million of expenditure in year 1 of the joint venture before being permitted to withdraw.

Desert Energy currently has cash reserves of over \$3m.

Calcrete-Uranium Projects, Northeastern Yilgarn Region, WA Drilling Applications Lodged: Uranium and Gold Targets

Over the past week, three Programs of Work have been submitted to the Western Australian Department of Mines and Petroleum (DMP) to seek approval for Desert Energy to conduct drilling programs on three projects in the northern and northeast Goldfields region. The programs are may be conducted in two phases, with phase two dependent on the results of phase one.

Bellview Project

Desert Energy announced on 27 January 2010 that aircore drilling for calcrete uranium on its Bellview Project had unexpectedly intersected altered and veined greenstone in two holes. These greenstones might represent a narrow greenstone sequence parallel to the nearby western edge of the Agnew Greenstone Belt which hosts world-class gold and nickel mines. The geology is interpreted to consist of thin greenstone wedges within sheared granite and is associated with a diffuse airborne magnetic high. Approval for the drilling of 99 angled RAB holes at Bellview has been applied for.

Tate Project

The Tate Project hosts two distinct drainage channels and a number of airborne magnetic highs which may indicate the presence of buried greenstone sequences. Approval for the drilling of 140 aircore holes at Tate has been applied for. These will test the calcrete-hosted uranium potential of the channels and the nature of the basement magnetic highs.

Downs East Extended Project

On 27 January 2010 Desert Energy announced that it had intersected coincident anomalous uranium (up to 83ppm) and anomalous gold (6ppb) within a single drill hole at its Downs East Extended Project and that this hole was supported by a number of adjoining drill holes with anomalous uranium (values to 20ppm). The drill hole spacing was 2000m by 400 m. The reported intercepts may be related to a granitic-style intrusion, however the geology of this prospect is not yet understood. Approval for the drilling of 88 aircore holes has been applied for to follow-up this mineralisation.

Dr Robert Taylor
Executive Director

Garry O'Hara
Executive Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Robert S Taylor, a Member of The Institute of Materials, Minerals and Mining and Mr. Garry P O'Hara, a corporate member of the Australasian Institute of Mining and Metallurgy based on information supplied by a number of geological consultants to Aurora Minerals and Desert Energy who are corporate members of the. Australasian Institute of Mining and Metallurgy

Robert Taylor and Garry O'Hara are both executive directors of Aurora Minerals Limited and consult to the Company through their respective consulting companies Able Kids Pty Ltd and Anketell Pty Ltd.

Robert Taylor and Garry O'Hara have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Robert Taylor and Garry O'Hara consent to the inclusion in the report of the matters based on the information provided to them in the form and context in which it appears.

The Company's website www.auroraminerals.com is recommended reading for interested market watchers, brokers and investors. The website contains information on the Company's projects project maps, a list of the Company's announcements to ASX, information on Native Title (including the tenement grant process and heritage surveys) including in the Desert Energy Prospectus, the legislative environments under which the Company operates, Corporate Governance, a section on risks, many of which are common to exploration companies, and other useful information. A list of the Company's announcements is also obtainable from the Australian Securities Exchange website at www.asx.com.au

If you would like copies of announcements emailed to you please can contact Ken Banks.