



8 August 2007

Company Announcements Office
ASX Limited
PO Box H224 Australia Square
SYDNEY NSW 2000

Dear Sir/Madam

**Condition Precedent for the Official Quotation of 40,000,001 Ordinary Shares:
Statement setting out number of securities subject to escrow, and the escrow period
applied to those securities.**

As requested by ASX in their letter of 27 July 2007, we confirm the escrow provisions applying to certain of the Company's securities as follows:

Securities restricted for 24 months from the date of official quotation of the Company's securities:

Securities	Restriction Period
40,000,000 Fully paid ordinary shares	24 months from date of official quotation of Company's securities

Yours sincerely

Peter Rutledge
Company Secretary
Desert Energy Limited